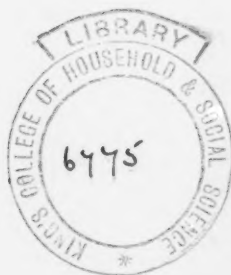


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Contents

Contents

	PAGE
NOTES	3, 81, 155, 255
AN ORGANIZED CIVIL SERVICE. By Viscount Haldane, O.M.	6
ADMINISTRATORS—Imperial and Local. By F. R. Anderton, M.A., Chairman of the London County Council	17
GOVERNMENT AND THE PROMOTION OF TRADE. By Sir William H. Clark, K.C.S.I., C.M.G.	22
THE AMERICAN CIVIL SERVICE. By G. H. Stuart Bunning, O.B.E., J.P.	35
THE TEACHING OF PUBLIC ADMINISTRATION IN U.S.A. By I. G. Gibbon, D.Sc., C.B.E.	41
SECURITY. By John Lee	45
THE AIMS OF THE INSTITUTE. By H. G. Corner	49
THE PROGRAMME FOR 1922-3. By A. C. Stewart	56
AIMS OF THE INSTITUTE OF PUBLIC ADMINISTRATION. By Viscount Milner, K.G., G.C.B., G.C.M.G.	85
GROWTH OF ADMINISTRATIVE DISCRETION. By Harold J. Laski	92
TECHNICAL LANGUAGE. By A. B. Walkley	101
STATISTICS IN ADMINISTRATION. By S. P. Vivian	108
SPHERE OF THE SPECIALIST IN PUBLIC ADMINISTRATION. By Sir Francis L. C. Floud, K.C.B.	117
NAPOLEON BUONAPARTE AS AN ADMINISTRATOR. By D. O. Lumley	127
A MILD EXPOSTULATION. By the Editor	136
THE "HALDANE" PRIZE	138
ADMINISTRATION OF BUSINESS AND PUBLIC AFFAIRS. By Sir Josiah C. Stamp, K.B.E.	158
COMING CHANGES IN LOCAL GOVERNMENT (County Council Point of View). By H. A. Millington, O.B.E.	172
COMING CHANGES IN LOCAL GOVERNMENT (Municipal Point of View). By Wm. E. Hart	184
CLOSING THE WAR ACCOUNTS—TRADING DEPARTMENTS. By H. Mead Taylor, C.B.	197
THE ADMINISTRATION OF A FIGHTING SERVICE. By Sir Oswyn A. R. Murray, K.C.B.	205
PUBLIC ADMINISTRATION: A SCIENCE. By F. Merson, B.Sc. (Econ.)	220
POLISH PUBLIC ADMINISTRATION. By Edgar R. Brown	228
THE SUMMER CONFERENCE	233
THE SUMMER SCHOOL: AN IMPRESSION	256
SUMMER CONFERENCE: WELCOME BY THE VICE-CHANCELLOR	258
CONTRIBUTIONS FROM THE CENTRAL AUTHORITY TOWARDS THE COST OF LOCAL ADMINISTRATIVE SERVICES. By F. Ogden Whiteley, O.B.E., F.S.A.A.	259
LOCAL RATING. By Arthur Collins	286
EDUCATION AUTHORITIES (CENTRAL AND LOCAL) AND THEIR RELATIONS TO EACH OTHER. By B. S. Gott, M.A.	301
ECONOMY IN EDUCATION. By R. F. Cholmeley, M.A.	311
ECONOMIC INTEREST OF ELECTORS IN SERVICES PROVIDED BY A PUBLIC AUTHORITY. By H. J. Laski, M.A.	321
TOWN PLANNING: ITS PLACE IN SOCIAL DEVELOPMENT. By I. G. Gibbon, C.B.E.	333
THE QUALIFICATIONS, RECRUITMENT, AND TRAINING OF PUBLIC SERVANTS. By Sir Stanley Leathes, K.C.B.	343
THE LATE SIR HENRY BABINGTON SMITH	363
THE FORUM	72, 146, 246
THE TREASURE HOUSE	75, 150, 248

Contents

Reviews

	PAGE
BACKUS, F. "The Law of City Planning and Zoning"	240
Boucke, O. F. "A Critique of Economics"	239
COLE, G. D. H. "Workshop Organization"	238
Cox, H. Montague. "Municipal Organization"	65
GREENWOOD, Miss A. D. "History of the People of England"	364
HEARNshaw, F. J. C. "The Social and Political Ideas of Some Great Mediaeval Thinkers"	365
Henderson, H. D. "The Cotton Control Board"	236
KIMBALL, E. "State and Municipal Government in the United States"	62
LEATHES, Sir STANLEY. "The People of England"	243
Lucas, Sir Charles. "The Partition and Colonization of Africa"	68
MANSBRIDGE, ALBERT. "The Older Universities of England"	242
Moses, R. "The Civil Service of Great Britain"	139
<i>Official.</i> "The Book of West Ham"	367
SHELDON, O. "The Philosophy of Management"	143
Smith, H. Emerson. "Municipal and Local Government Law (England)"	366
StroebeL, H. "Socialization in Theory and Practice"	67
StroebeL, H. "The German Revolution and After"	235
TRVELYAN, G. M. "British History in the Nineteenth Century"	60
WEBB, SIDNEY AND BEATRICE. "English Local Government"	142
<i>Various.</i> "The Development of the Civil Service"	70

Index

Name Index

- ABBOTT, E. W. B., 156, 308, 317
Allen, Dr. B. N., 156
Anderson, Sir John, 82, 83, 148, 220
Anderton, F. R., 17-21
- BATEMAN, Sir A., 28
Benson, A. C., 256
Bentham, Jeremy, 23, 25, 100, 222, 346
Beveridge, Sir W. H., 52, 156
Bird, Sir J., 52
Bradbury, Sir J., 215
Brown, E. R., 228-32
—, Prof. Jethro, 227
Browne, Sir Thomas, 312
Brydges, G. E., 360
Bunbury, Sir H. N., 52, 59
Bunning, G. H. Stuart, 35-40, 52
Buonaparte, Napoleon, 127-135
Burke, Edmund, 33, 318
Buxton, Lord, 363
- CHAMBERLAIN, Austen, 234, 257, 362
Cholmeley, R. F., 234, 308, 311-20
Clark, Sir W. H., 5, 22-34, 59
Collins, Arthur, 234, 286-300
Corner, H. G., 49-55, 83
—, Mrs. H. G., 284, 309
Cox, H. Montague, 155
- DARNELL, E., 284, 299
Day, A. J. T., 360
Dicey, Prof., 93, 95
- FLOUD, Sir F. L. C., 57, 59, 117-26, 224
Ford, Miss E. A., 156
Fox, Sir Robert, 52
- GIBBON, I. G., 23, 44, 234, 330, 332, 333-42
Gladstone, W. E., 25, 26, 332, 346, 351
Gott, B. S., 234, 301-10, 319
Gowers, E. A., 59
Graham, W., 234, 331, 340, 342
Greenhill, R. A., 300, 331
- HALDANE, Viscount, 6-16, 52, 56, 58, 83, 85, 98, 156, 233, 234
Hankin, G. T., 309
Harris, Sir Charles, 119
Hart, W. E., 56, 59, 184-196
Hartree, Mrs., 309
Hichens, W. L., 59
Hoare, H. J., 283, 299
Hopkins, Sir R. V. N., 59
- JONES, Clement, 57, 59
- LASKI, H. J., 52, 92-100, 156, 222, 234, 321-32
Lawrence, Sir Alexander, 83, 155
Leathes, Sir Stanley, 52, 156, 234, 257, 343-362
Lee, John, 45-48, 52, 59, 156
Lees-Smith, H. B., 156
Lloyd, G. I. H., 57, 58
Lovelock, Major, 298, 308, 329, 341, 361
Lumley, D. O., 81, 127-135
- MACAULAY, Lord, 141, 346, 347
Macdonnell, Lord, 353, 356
Mallet, Sir Bernard, 26
—, Sir Louis, 26, 30
Merson, F., 156, 220-27
Mill, James, 99, 100
Mill, J. S., 222, 226, 346
Millington, H. A., 56, 59, 172-83
Milner, Viscount, 83, 85-91
Morant, Sir Robert, 8
Morgan, O. T., 285, 300, 329, 332
Moses, R., 139-142
Murray, Sir G., 8, 362
—, Sir Oswyn A. R., 59, 205-19
- NORTHCOTE, Stafford, 346, 347, 351
- OLIVIER, Sir Sydney, 59
- PARRY, Rev. Dr. St. John, 308
Pedder, Sir J., 59
Pepler, G. L., 341
Percy, Lord Eustace, 234
Phipps, Sir Edmund, 309
Pullinger, W. H., 298, 361
- QUANJER, Miss F., 59
- ROBERTSON, C. Grant, 83, 149
- SALTER, Sir J. A., 98
Sanday, Miss, 360
Scott, John, 83
—, Sir R. R., 59
Scrutton, Rev. H., 283
Shayler, H., 197, 329, 330, 361
Smith, Adam, 23, 25, 322
—, Sir Cecil Harcourt, 59
—, Sir H. Babington, 363
Stamp, Sir Josiah, 52, 59, 81, 158-71, 223
Stewart, A. C., 56, 59, 156, 234, 255, 258, 283, 285, 319, 361

Index

- TAYLOR, H. Mead, 57, 59, 197, 204
 Tebbutt, Col., 256, 284, 285, 300, 342
 Todd, J. J., 330
 Trevelyan, Charles, 346, 351
 Trollope, Anthony, 141, 345
 VIVIAN, S. P., 59, 81, 108-16
 WADSLEY, W. E. B., 300
 Waldegrave, A. J., 284, 299, 319
 Walker-Smith, J., 342
 Walkley, A. B., 101-07
 Wallas, Graham, 56, 58, 156, 226
 Watson, Sir A. W., 59
 Wise, E. F., 83, 84
 Whiteley, F. Ogden, 234, 259, 285, 299
 331, 341
 Wood, —, 319
 Wynne, C. M., 341

Subject Index

- ACCOUNTS, closing the War, 197-204
Ad hoc bodies, 180, 194
 Admiralty, 205-219
 Agriculture, Ministry of, 18, 94, 117, 123
 Agricultural Rates Act, 265, 279, 285
 Aims of Institute of Public Administration, 2, 5, 9, 17, 49-55, 85-91
 Amateurs, 19, 42, 93, 314
 America, 35-44, 94
 Areas of local authorities, 175, 183, 188
 Arlidge v. L.G.B., 93, 95, 96

 BIRMINGHAM Regional Group, 83
 Burnham Report, 269, 316, 318
 Business and Public Administration, 81,
 91, 158-71, 197, 223

 CABINET Ministers and Civil Servants,
 8-9, 119, 209
 Civil Servants, classification of, 36, 166,
 351
 — Service Commissioners, 347-51
 —, Egyptian, 10
 —, Royal Commission, 10, 141
 —, an organized, 6-16
 — recruitment. *See* Recruitment
 Colonial policy and trade, 23, 25
 Commercial Diplomatic Service, 28, 29,
 31, 32
 Committee on Public Accounts, 199
 Committees of Parliament, 97, 98, 99, 178
 Consular Service, 28-30
 Co-opted members, 185
 Co-operative Wholesale Society, 326, 329,
 332
 Cost of Government, 286

 DARDANELLES, Royal Commission on,
 100, 209
 Decentralization, Speaker's Conference,
 342
 D.O.R.A., 92, 94, 95, 198
 Departmentalism, 30
 Discretion, administrative, 92-100, 166
 Diplomatic Service, 28, 30
 Dominions, Royal Commission, 31
 Dual control, 29, 136

 ECONOMIC interest of electors, 321-32
 Economy in administration, 13, 15, 276
Edinburgh Review, 136-37
 Education, 301-20
 —, Board of, 97, 117, 136, 301-20
 Egyptian Civil Service, 10
 Elementary schools, 319-20
 Electricity Commissioners, 189
 Emmanuel College, 256
 Enterprise, public and private, 13, 331
 Equity of local rating, 290-95
 Excess Profits Duty, 166-67
 Exchequer Contribution Account, 263,
 265, 266
 — Grants Committee, 195, 331
 Expenditure, national and local, 279,
 282, 283

 FACTORY Acts, 25, 82
 — inspectors, 351
 Federation of British Industries, 32
 Food, Ministry of, 98, 200
 Fighting service, the administration of a,
 205-19
 Files, 155
 First Division clerks, 11, 85, 357
 Foreign Office, 26, 28, 30, 32
 Franchise, the, 7, 321

 GEDDES Committee, 32, 213, 275, 278,
 304, 317
 Germany after 1870, 28
 Grants in aid, 195, 259-85, 331

 HALDANE Prize, 83, 138, 157
 Health, Ministry of, 18, 96, 176, 190, 196,
 335, 336
 — Acts, Public, 174, 262, 264
 Home Office, 92, 93, 97

Index

- Housing and Town Planning Act, 270
 —, 261, 279, 322-32
- INDIA, Act for better government of, 347
 Industrial Administration, Institute of, 158
- JUDICIAL administration, 18, 159
- KEY Industries Act, 328
- LABOUR, employment by public authority, 322, 324
 — Exchanges, 193
 —, Ministry of, 92, 96, 193
 Legislation and administration, sphere of, 19
 —, tendency of, 118
 Liverpool Regional Group, 255
 Local Authorities Enabling Bill, 187
 — Government Acts, 174, 175, 181
 —, coming changes, 56, 59, 172-96
 —, Royal Commission on, 172, 173, 181, 191
 — under Napoleon, 133
 — taxation, Departmental Committee, 183, 260, 268
 —, Royal Commission on, 183, 259, 266, 272
 — rates and rating, 286-300
- MACHINERY of Government Committee, 8, 53, 86, 227
 Magdalen College, 256
 Manchester Regional Group, 83
 Metropolitan Borough Councils, 20
 Ministerial responsibility, 100, 169
 Municipal Corporations Acts, 174, 184
 — Government, 184-96
 — trading, 187, 329
 Munitions, Ministry of, 57, 58, 95
- NATIONAL Association of Local Government Officers, 50, 360
 — Institute of Public Administration, U.S.A., 43
 Naval Staff, 206, 217
 Navy, the spirit of, 13
 —, the, 205-19
 Necessitous areas, 278, 282
- ORDERS in Council, 92, 346, 348
- PARLIAMENT and Civil Service, 98
 Patronage, 346, 347
 Payment of members of local authorities, 185
 Plantations, Council for, 24
 Polish public administration, 228-32
- Politics, Civil Service and, 88, 348
 —, — and, in America, 39
 Poor relief, 261, 287
 — Rate Exemption Act, 287
 Population and rateable value, 277
 Postal workers' vote, 323, 330
 Post Office, 37, 101, 117, 167
 — and collection of rates, 299
 Preventive administration, 340
 Prices, control of, 326
 Programme of Institute, 46-59
 Promotion in Civil Service, 10-12, 353
 Property rights, 327
 Provisional Orders, 97, 176, 178, 187, 190, 195
 Propaganda, 28
 Psychological tests, 359
 Public, Civil servants and, 89
- RECONSTRUCTION, Minister of, 8, 86
 Recruitment of Civil servants, 10, 343-62
 — in U.S.A., 35
 — in Poland, 231
 — men of middle age, 85, 124
 Reform Acts, 6, 321, 328, 330, 332, 346
 Regional Groups, 83, 255
 Research, Bureau of Municipal, New York, 42
 — Groups, 58
 Revolution, seventeenth century, 6
 Revolutionary governments, 127
 Roads, 82, 261, 262, 264, 271
 Royal Commission on Civil Service, 10, 141, 353
 — on the Dardanelles, 100, 209
 — on the Dominions, 31
 — on local taxation, 183, 258, 261, 266, 272
 — on trade and industry, 28
 Rules, Publication Act, 96, 99
- SCIENCE, public administration a, 220-27
 Second Division clerks, 121, 352-54
 Security of tenure, 17, 45-48, 186, 361
 Selection Boards, recruitment by, 123, 355
 Society of Civil Servants, 49, 50, 57, 143, 205
 Specialist, the sphere of, 57, 59, 117-26
 Specialists, recruitment of, 123, 349
 Sphere of administration, 3-5
 State activities classified, 22
 —, nature, character, and purpose of, 44, 321, 327
 Statistics in administration, 108-16
 Style, 104
 Summer Conference, 84, 87, 157, 233-34
 Superannuation Act, 347

Index

- TAXES, recruitment of inspectors of, 349, 360
Technical language, 101-07
Tenure, security of, 17, 45-48, 186, 361
Town planning, 333-42
Trade, Board of, 200, 216
—, Governments and the promotion of, 22-34
— unions, 7, 9
Trades Board Act, 92, 96
Trading departments, 197-204
Traffic problem, 333, 340
Treasury, 168, 171, 188, 199, 201, 347
Trevelyan Report, 100, 347
Trinity College, 256, 347
Tuberculosis, 261, 267
UNIVERSITIES, 15, 16, 258, 333, 346, 349, 362
VERSAILLES, Treaty of, 201
WAR Accounts, closing of, 57, 59, 197-204
— Cabinet, 57, 59, 86
Water supply, 188, 299
Whitleyism in American Civil Service, 40
Women, recruitment to Civil Service, 354, 360
ZONING, 334, 335

THE JOURNAL OF PUBLIC ADMINISTRATION

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CONTENTS

	PAGE
NOTES	3
AN ORGANIZED CIVIL SERVICE, by Viscount Haldane, O.M. . .	6
ADMINISTRATORS—IMPERIAL AND LOCAL, by F. R. Anderton, M.A., <i>Chairman of the London County Council</i>	17
GOVERNMENT AND THE PROMOTION OF TRADE, by Sir William H. Clark, K.C.S.I., C.M.G.	22
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SECURITY, by John Lee	45
THE AIMS OF THE INSTITUTE, by H. G. Corner	49
THE PROGRAMME FOR 1922-3, by A. C. Stewart	56
REVIEWS	60
THE FORUM	72
THE TREASURE HOUSE	75

Contributions should be addressed to THE EDITOR, THE JOURNAL OF PUBLIC ADMINISTRATION, Sir Isaac Pitman & Sons, Pitman House, Parker Street, London, W.C.2.

Contributions are especially invited to The Forum. They should not exceed 500 words and should be accompanied by the name and address of the writer, who should be a Member or Associate. Initials or pen names are permissible in publication.

Books for review should be addressed to the EDITOR.

THE HISTORY OF PUBLIC ADMINISTRATION

BY
H. J. LADD
AND
J. W. GILBERT

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Notes

Notes

THE JOURNAL OF PUBLIC ADMINISTRATION is to be a record of the work of the Institute of Public Administration. It will be a medium between the Institute as a whole and each individual member and associate. So far as is possible, with the space at its command, it will put into permanent form the contributions which are made, from time to time, to the science of public administration. It will attempt, in each issue, to examine the books which deal with the subject, either directly or indirectly, in order that those who trust to its pages for a general survey of the progress of the science may have, in succinct form, a trustworthy summary of the contributions which have been made, irrespective of the point of view. It will be hospitable to other contributions, offered directly for inclusion in its pages, bringing them all to the one criterion of value that they are actual contributions to knowledge and to discussion. For itself the JOURNAL has no point of view beyond the single aim at the efficiency of public services, and the efficiency of public servants. In respect of the central question whether or not certain services should be controlled and conducted by public bodies it is silent. That question falls within the sphere of legislation and administration begins after legislation has made its decision.

* * *

It is a widely-inclusive sphere of human organization to which thought is thus directed. The complexity of the modern State has added to the responsibilities of administration. The growth of local government has included new duties, as wide apart as the direction of education and the conduct of means of communication and the provision of necessities, such as light and heat and water. The boundary line between central and local administration is a little blurred, and it may be made more definite as time goes on and, indeed, processes of devolution are in evidence. The relationship of national to local finance is one of the particular aspects which is likely to receive consideration. The science of administration will devote itself to all these phases of its central problem, but not in the way that political partizanship will desiderate. It will consider them rather as practical issues. It will seek the principles of performance rather than the doctrines of which those principles are the crystallization. It will contribute to the study of the doctrines or theories and will lend a body of empirical truth to theories which, otherwise, might seem to be distant from a very real and actual world.

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It will not neglect the functions of persons. By that it is not intended that the rights of public servants shall be the main topic of discussion. Public servants of all kinds have their rights, their sense of justice or injustice, their claims for this or for that recognition. This is not the medium for the ventilation of such claims or for the statement of such rights. Of its essence an institute is an educative body. It is not primarily a protective body. The responsibilities of the public service will be discussed and the best means by which those responsibilities can be fulfilled will be sought diligently and sincerely. The relationship of technical expertness to administrative action will be canvassed. The function of executive administration in relation to ministerial responsibility will be defined, not by a simple dogmatic declaration but by a careful and progressive analysis. Methods of simplifying processes will be enounced and examined. Varied means of improving the training will be suggested and tested. There will be a link, closer as time goes on, with the universities and a careful balance will be maintained in the consideration of the specialized training for particular departments and of the general training in public administration, and this will be done comparatively by the study of what has been attempted and accomplished in other countries.

* * *

Thus a wide vista is opened. It is so wide that it must not be expected that a few specialists will be able to cover the whole of the subjects. Not the least valuable of the work of the Institute will be to encourage individual thought throughout the public services. If each individual servant can be imbued with the spirit both of learning and of contributing from his (or her) experience we may gather precious enlightenment. To this end the JOURNAL may become a medium having two directions. It may be enabled to spread the light from the brilliant torches of those who are recognized authorities; it may also gather together the many apparently smaller rays and focus them into a brilliance which will have its own rivalry. At least, in this catholic spirit the JOURNAL sets out on its career.

* * *

Nor is it inconceivable that there is much to be learned from industry at large. It is true that the more rapid action, characteristic of the administration of privately-owned industries, is not always suitable to public administration with its direct responsibilities to the public at large. It is also true that wise administration of public affairs will not over-emphasize the distinction. This is especially the case when industries, by amalgamation and consolidation, grow larger and larger

Notes

and approach the conditions under which a science of public administration is more nearly applicable. Here, again, there is work for the student. Here, too, the JOURNAL hopes that it will not be found lacking. This readiness to learn and to study does not betoken that excessive humility, which is tremblingly afraid of its own virtues. It may be that privately-owned industry, in turn, has something to learn, and that these pages may have some interest for those students of human organization who are sufficiently unbiased to be ready to learn from public administration.

* * *

There is one class of public servant which will need to be borne specially in mind. The development of local branches of the Institute will cater for those members in districts where there are smaller total numbers. There will be other districts where there are a few comparatively isolated members. We publish in this issue an interesting communication from a typical representative of this class. He is stationed in the north of Canada; he is a public servant just as the rest of us in more thickly-populated districts are public servants. His plea of association and intimacy must not fall on deaf ears, and it will be the task of the JOURNAL to cater for his needs. There are many developments of the public services before us, and these developments will include not merely the highly-organized services to which we are accustomed, but also the less prominent work in the Colonies, in India and in Africa. Sir William Clark's lecture will reveal to the members of these services how valuable is their function to trade and industry at home, and it may be possible, as time goes on, for more particular attention to be given to the technique of work which hitherto has been left, and confidently left, to individual initiative and adaptation. The criticisms of the American methods—American criticisms—will be of value to us, and we may indicate the quotation which we give from Mr. Marcossou's writings on the subject.

* * *

It will be a portion of the work of the JOURNAL in each issue to review the various publications, both Government and Municipal, in so far as they have a bearing upon public administration, and by this means to correlate for the general information of the readers the varied developments and enterprises that form a part of public administration.

An Organized Civil Service

BY THE RT. HON. VISCOUNT HALDANE OF CLOAN, O.M.

[*Being the President's inaugural address to the Institute of Public Administration.*]

IN all organization, whether it be of bare scientific knowledge or of that knowledge embodied in the practical direction of business, there is a cardinal phase which is indispensable if a maximum standard of efficiency is to be attained. What is done, be it purely theoretical, or be it the realization of plans in the transaction of everyday affairs, must be based on clear thinking. Such thinking must take the form of objects and principles lying at their foundation. It is by taking thought and by that alone that we can accomplish what the unreflecting mind cannot accomplish, add cubits to our mental stature.

The study of the history of the development of the unwritten constitution of this nation shows how obviously this is true. We began in that history with the personal rule over his subjects of a monarch without organized guidance. Slowly but steadily, from the days of the Norman Conquest onwards, that monarch, at first a supreme individual, proceeded to guide himself by the advice of his subjects. Such advice was not in its earlier stages very scientifically given. It was evolved in its form by mere necessity. Apart from the accommodation of his policy to the wishes of his subjects the King could not have continued to rule. For it is only by keeping himself supported in his position by public opinion that even the most absolute individual sovereign can continue to govern. Loyalty and attachment to his person are essential even for such a sovereign. And loyalty and attachment rest in the end for their basis on the most potent of political forces, public opinion. A king can only neglect public opinion if it is indifferent or stagnant. These conditions can never be reckoned on as certain to remain. The episodes in British history, such as that of Magna Carta, of the Revolution, and of the Revolution Settlement in the end of the seventeenth century, show that public opinion is in the end the dominating power and the only dominating power. When the Church ceased to be the instrument of general opinion in secular affairs the same principle found another illustration. The Reform Act of 1832 again showed in a stage further the demonstration of its efficacy. And the extensions of the suffrage in our own times indicate simple advances in the perfecting of the instrument with which public opinion works in a peaceful and conservative community such as our own.

As the result of a continuously developing method public opinion has to-day a vastly increased efficacy. It acts swiftly and successfully

An Organized Civil Service

whenever it is sufficiently roused. In this respect it is much more potent than in the days of the Norman Conquest, but simply because it is much more highly organized.

I do not think that it has attained, or even nearly attained, the possible high-water mark in its power. Questions of the franchise are, indeed, substantially disposed of, so far as essentials are concerned. It is no longer the means that can be said to remain inchoate. It is the condition of public opinion itself. Until we have a democracy keen, in the only way in which it can be made keen, through a higher degree of enlightenment resulting from the better education of its grown-up members, the democracy will continue to be relatively inert and sluggish. A novel problem is thus beginning to confront us.

But it is not this problem which I wish on the present occasion to consider. The standard of public opinion is slowly growing, and I think that the Great War has accelerated that growth both here and in other countries. I propose to assume that such growth, however slow and spasmodic, can be reckoned on. My purpose is on this assumption to take the existing state of things as it stands, and to ask how we must prepare ourselves for the development which our Government is likely to be called on before long to set in progressive form.

This is no academic matter. As always happens those who are the official advisers and helpers of the politically supreme power of members of Cabinets seem to be sometimes more fully aware than their chiefs of the character of changes that are inevitable. We assemble here to-day on a notable occasion. There has been launched a new Institute of Public Administration. It is concerned with the domain occupied by public service of a civilian character. This domain includes not only those who serve the Government directly, but also those who serve local government authorities. To save words, I am going to speak of all included under both of these heads as the Civil Service, and it will be understood that when I do so it is not merely to civil servants in the technical and narrowest sense in which the expression is generally used, that I refer, but to the whole body of those who render service, of a civilian nature falling under both of the heads to which I have made reference. The Civil Service is organizing itself for new tasks to which it sees it will be called. The body over which I have the honour to preside is not a trade union organization brought into existence to further the interests of a class. It is a society formed on the basis of rendering fresh service to the public, by bringing to bear study which implies expert knowledge, and demonstrating not only how the result can be applied but the necessity for doing so. The primary purpose is a scientific one.

We who are here assembled have nearly all of us been intimately connected with the Civil Service. Even I, who come here to-day in

The · Journal · of · Public · Administration

large part as an outsider, was for nearly ten years head of two great administrative departments of the Government, and had direct experience of others. I worked fairly hard, but did not succeed in accomplishing nearly all of what I set out to do. I left my work with a strong sense of the undone vast. There was much that required the method of gradual evolution, and in consequence time. For it is not the want of knowledge that is the chief difficulty. Knowledge can be attained pretty rapidly. What is needed in addition is the continuity in policy which requires above all a common faith in agreed-on ideals. This is difficult of attainment in so far as Ministers change periodically. The result is that for continuity in the application of administrative principles we have to look elsewhere. We cannot reckon on it with ever-altering ministries. Public opinion as it is to-day has too little both of knowledge and of interest to be able to insist on it. We come back, therefore, in last resort to the Civil Service itself and notably to its permanent chiefs. A capable minister who has capable civil servants at his elbow will always be largely influenced by them in the practical questions of administration. The minister has great power. The Cabinet, like public opinion, rarely knows enough to supervise or direct him in the working of his own department. Consequently he wields the theoretically supreme power of the Sovereign in a vast variety of matters. If he is himself capable, and if he is really working in constant consultation with capable permanent advisers, the Prime Minister and the Cabinet do wisely in trusting him freely. Mistakes will occur; but I think that they occur much less frequently when this course is taken by the supreme authority than when the alternative method is adopted of a futile attempt at supervision in detail.

Of course, if confusion is to be avoided, the departments of Government must have their scope and boundaries carefully defined. Definition of function and apportionment of responsibility are essential. This is true, not only of the departments *inter se*, but of the internal organization of the departments themselves.

It is nearly four years since I was chairman of the Machinery of Government Reconstruction Committee. That committee was interesting if only for two reasons. In the first place it contained two of the most eminent and experienced permanent heads of the Civil Service of our times, Sir George Murray and Sir Robert Morant. In the second place it did not report without having consulted a large number of well-known civil servants. From the substance of the conclusions embodied in its report subsequent study has not led me to desire to depart. The plan for the reorganization of executive government the broad features of which were set out in that report, seems to me now as then the kind of plan which we shall have to adopt if progress is to be made. I do not wish to return to the points raised by the report

An Organized Civil Service

to-day. It is with further steps which progress seems to require that I am concerned.

What does an ideal Civil Service demand? Its function is to provide the permanent element to which the ministers responsible for the departments can turn for advice and to carry into effect the policy so settled. It provides the factors necessary for continuity in administration by Cabinets which change periodically. It is obvious that it is of the greatest importance to the well-being of the State that the organization of the Civil Service should be of the highest excellence attainable. Economy, by the avoidance of overlapping and waste, depends on it. Efficiency will be proportioned to its knowledge, its moral qualities and its general excellence. These qualities must therefore be sought after in the first instance and the civil servants must keep them set before their eyes.

Such seem to be the proper and indeed indispensable objects of the new organization which the Civil Service is now seeking to establish. They ought to be its primary purposes. Of course, it may be made part of the organization to attend carefully to the interests both of the collective body and of its individual members. But it would, I think, have been unwise, even from a worldly and material point of view, to make this duty the primary function. At all events this has been avoided. The British public is always disposed to be generous to those who serve it when it understands the service rendered and its quality. When it acts meanly it is really because of insufficient knowledge. Such knowledge will come to it increasingly with increase of efficiency in the services rendered, and, speaking for myself, I believe that the best way from its own point of view of furthering its individual interests is for the Civil Service to concentrate on excellence. I have little doubt that this is the view of its most deeply experienced members also.

There is a lesson to be learned from the study of labour organizations in industry. The trade unions have rendered very valuable services to their members. They have succeeded progressively in accomplishing many of their aims. But they have not been highly popular with the outside public, nor have they proved to be the power in the State that they might have been expected to become. That is, as I think, because they have set too contracted objects before themselves. To command the admiration of outsiders in this country your aim ought always to be something more than merely self-regarding. Labour has been hampered by a certain narrowness in its outlook. It is not by bread alone that we can really live, although bread is indispensable and must be provided. It is the larger outlook and action based on it that tell in these days. Knowledge is in a new sense becoming power.

The Civil Service must, therefore, if it is to succeed in its aims, avoid the narrowness which has been too often characteristic of a mere

The · Journal · of · Public · Administration

union outlook. Indeed, to avoid this narrowness in outlook has been your object in forming this new organization. The real purpose must be the defined one of rendering the highest amount practicable of service to the State, and service of the highest quality. But this is not so easy a principle to carry out as it looks. It implies distinction between individuals based on capacity and selection for fitness. Now there come in at this point the two difficult questions of entrance to the Service and of promotion in it. The vast majority of men and women feel that they have the right to be treated on a footing of complete equality with their neighbours. This is so far an absolutely true view. But then the question comes in what this right of equal opportunity means. It does not mean the equal title of the unfit with the fit to be given employment which is only suited for the fit. The Service exists for the public and not the public for the Service. If a man or a woman is not as well qualified as others for a particular post no title to that post ought to be based on any abstract notion of equality. But then the task of discriminating becomes a very delicate one. Take entrance to the Civil Service. For the most part this depends on the result of an examination. I have had to give much consideration to the value of the pure examination test in connection with the general subject of education. I have come to the conclusion that the pure examination test is far from being a perfect one. Success may result from qualities which neither import the more thorough kind of knowledge nor guarantee fitness for the kind of employment sought after. But everything is relative in this finite world, and the examination test, even as it is, is surely much better than selection by the personal influence and wire-pulling which has too often constituted the only avenue in the old days. A more perfect test still would be one based not only on answers to questions put by examiners who had had no opportunity of watching the candidate in his career at school or college and so getting the measure of his personality. Selection based on full record would be more reliable. Such a test we are in course of slowly substituting in schools and universities as that of real education. By degrees I think we shall come to it, as Lord Cromer sought to do in the case of the Egyptian Civil Service, in our Home Service also. But until such a system has been evolved we are at least much better off with the external examination than we used to be under the unreformed system.

In the recommendations which were made in 1914, in the Report of the Royal Commission on the Civil Service, much stress was laid on the improvement of our general educational system as being of high importance if the quality of the Civil Service was itself to be improved. All the evidence points to the truth of this principle. The Service ought to be a highly educated one, and this can only be so if those who come into it are sufficiently educated. The width of mind and the larger

An Organized Civil Service

outlook which real education brings are wanted in few domains more than here. But there are those who, while possessing great natural aptitude, have unfortunately been unable to obtain such an education. They come into the Service in the lower ranks, and yet, by study and the self-development of their individualities, they may become very fit to occupy higher posts. For this sort of case provision will have to be made in the future. Such exceptional minds ought to have chances of being put to full use by the State. Otherwise not only will much valuable service be lost to it, but there will be a sense of injustice at a barrier created by what is after all due to the accidents of birth and circumstance. With a more fully developed educational system throughout the country this problem ought to shrink in its dimensions.

I cannot express too strongly my sense of the importance of high forms of education throughout the Service. That importance is already recognized in the existence of the first division, with the standards of knowledge which it requires. I have myself often observed the advantage which the years spent at the university give. Not in all cases, for the best student there may possess little aptitude for business and practical affairs. But in the majority of cases there is a great difference between highly educated men and women and those who are not so educated. The outlook, power and quickness in comprehension, the gift of dealing with people, the readiness to take the initiative and to assume responsibility, are all in the main more highly developed when the business to be transacted is seen by the civil servant against a background of other knowledge of the type through which the mind has become enlarged. It is only the exceptionally gifted who possess a substitute for this background. Care should be taken that those who are individuals exceptionally qualified have a full chance of making their way to the highest positions, but the avenue must be carefully guarded. There is no right, arising out of mere seniority, to travel upwards by this exceptional path. The pilgrim to the Celestial City ought to possess the quality required for entry through the Wicket Gate. If he joins the path later it may be all right, but, unless close scrutiny is made, it is likely that things may not go well. In the higher positions in the Civil Service a largeness of outlook is required which is rare apart from a comprehensive mental training and by no means certainly present even after that training. I am no believer in the certainty of the result of education. What I hold to is that by far the best chance is given when there has been education of a high type as a preliminary.

This raises the question how selection ought to be made. Such selection ought not to be left to chance. But no more can it be left to a democratic committee of equals. The soldiers in an army are not the people to entrust with the selection of the generals. The reason is that they do not know enough. The safest choice is that from above and

The · Journal · of · Public · Administration

not that from below. But to-day the choice from above is apt to be left to hazard. It is a matter so difficult and so serious that it should not rest in the hands of some one high official. He, too, may not know, or he may be influenced by the wrong considerations. If the minister is worth anything promotion had better, I think, be something for which he is made deeply responsible. He should not act without consulting carefully and intelligently the heads of the department in which the promotion is to take place, and any others who may be likely to throw light on the individual case. In this way he will be able to get at the views of contemporaries and of those who belong to the same rank as the candidate, and at the general opinion of those about him. It is a delicate and difficult task this of making a selection to be based purely on merit. It is therefore best left to the person who is in the position of direct and real responsibility for doing his best.

So far as the lower ranks in the Civil Service are concerned, the rising standards of public education, and particularly the new efforts that are being made for the extension of adult education, ought to tend to make things easier. But there will always remain the hard problem of individual selection for general promotion. I am not an unqualified believer in the abstract principle of trying to promote by merit only. I have watched it in the Army and I have seen it fail only less than that of promotion by seniority. The difficulties in the way of finding anything like a perfect committee for selection are too great. You are always, in my experience, safer with a capable and industrious constitutional chief, if such can be found, who acts only after taking the most careful and reliable advice, and knows that he will be held personally responsible for mistakes. Even so he will make a good many blunders, but fewer, I think, than with the alternative methods. Still the system is so liable to miscarriages that it is not safe to think that injustice can always be avoided. When I was at the War Office we came to the conclusion that promotion by seniority tempered by the power of free and plentiful rejection was, on the whole, the safest line to follow. It is less heroic but its direction is a more human one, and it is doubtful whether the State is worse served if it is followed. But here and throughout this group of problems your new organization will have unrivalled opportunity for consideration and for making suggestions based on it.

It is not for me in this address to offer cut-and-dried opinions on questions of organization of which I have had only a limited amount of experience. What I wish to do is to submit for your consideration the ideals which the Civil Service may seek to realize.

What would be an ideal Civil Service and what should it always set before its eyes? Its first and dominant common object ought to be the service of the public in the most efficient form practicable. Virtue is its own reward here as elsewhere. Yet if the public realize that they

An Organized Civil Service

are receiving such service they will pay for it freely. Ignorance may be often the cause of extravagance, but it is not less frequently the cause of niggardliness. A prolonged experience of the minds of my fellow-countrymen has made me a believer in their fairness in this matter, and an optimist about it. Seek ye first the Kingdom of Heaven and all things shall be added unto you, is a maxim of wide application.

But if efficiency is to be the key principle it is necessary to be clear as to what it means. Not extravagant expenditure. The Duke of Wellington is said to have laid down that if an army was to be made and kept efficient there must be no expenditure of more than was strictly essential. A prize-fighter is not the better trained by being made heavy. Fat must disappear and developed muscle take its place. To secure this kind of economy there is a first thing needful. There must be a plain reason for the presence of every official employed. The organization must be treated as a whole and the members must be there simply because they are needed. The existing sloppiness about requirements in personnel must give place to requirements which are founded on exact reasons. Otherwise not only economy but efficiency are in peril. It is only by having his definite duty within a whole the structure of which is not less well defined, that the civil servant can live his life with satisfaction to himself and to the State. Much depends on really intelligent supervision and appreciation by the permanent heads, and not less on co-operation with them in the execution of a common purpose on the part of the whole staff. That is one reason why the organization and its provision for pay and promotion must be such as to admit of general contentment right through the Service. For the reason I have indicated, the great saving which is always effected when there is a sufficiently good organization to exclude useless branches and members, I do not think that this is an ideal of extravagance. Well carried out it ought to result not only in a more efficient but in a more economical Service.

The spirit, then, is everything, for it will in the end carry with it science of this kind in organization. And the spirit can only be at once real and reliable if it is based on adequate knowledge. I do not think that either the members of the public or of Parliament realize how difficult and delicate a problem organization is and how much thought and knowledge it requires. Of course, an organization may only gradually develop itself, and may grow into a very efficient form. When this is so it is always because of unceasing stimulus from some strong motive which is always operative. That is the advantage which private enterprise has over State enterprise, and it is a very real one. I often marvel when I enter the office of my bankers at the apparently wonderful organization which I see around me. To create it by the stroke of a pen would seem impossible. It has grown up simply because the bankers

The · Journal · of · Public · Administration

have required what it is and nothing short of what it is in the interests of their profit-making purpose, and by the standard which this purpose demands they have for generations been testing and improving it.

But profit-making is not the only nor the most powerful motive. I doubt much whether it is the most real source of inspiration. If you look, for example, at that wonderful living structure, the British Navy, you find a set of motives more dominant, in so far as self-sacrifice for the sake of public duty is accepted as more important than life itself. Right through the Navy, as our great wars have shown, there has been continuity of this spirit from generation to generation. The cause comes first, the individual second. And in general this is so with them as much as the officers. It is a tremendously strong impulse to conduct, not the less strong for rarely being explicitly stated. In this last respect Englishmen stand in some contrast with Japanese and Germans. But the motive is not the less potent because it rarely comes to expression. I have seen the same spirit in the Army, and I have seen it in the Civil Service itself. But on the whole the Navy seems the best field in which to study it. For it is there as the outcome of a long tradition, and of a natural aptitude which was as marked in the days of the Armada as it is to-day. The spirit is one which is at least as efficient as that of profit-making, and it is the result of tradition and education. It is the outlook and attitude of the best naval and military officers which make their leadership welcomed by the men, men who are trained to look for and to expect it.

This attitude is the result of tradition based on the preference of duty to the State, extending to the sacrifice of the life itself of the individual concerned. It is a motive which has shown itself to be potent and dominant. It is the outcome of training and habit of mind based on it. I do not believe that the practicability which experience has demonstrated of encouraging it, is any monopoly of the fighting services. I have seen something analogous, but hardly less marked, in the refusal of civil servants to exchange modest salaries for lucrative employment in commercial and industrial profit-making concerns. Such a refusal when it is made generally comes from a deep sense of duty to the State as the higher choice. It is the result of a habit of mind which I believe we might see yet more of in other departments if we took the proper steps to stimulate it. It is most common among those who have cultivated the high ideals based on that larger outlook which is the result of knowledge of the meaning of life.

Such knowledge seems to me, therefore, to be something which the State and the Civil Service itself should realize as a great aid to progress. Education, even of the widest type, cannot guarantee the habit of mind of which I speak, but it can render its prevalence increasingly probable. The education question in its most extended sense is therefore vital.

An Organized Civil Service

It does not mean mere capacity to pass examinations. It means rather life in an atmosphere where knowledge has shown that, because of the complications of human affairs and of human nature, nothing is sufficient that is not of the best quality. Of this outlook our universities are the guardians, and it is only if they can extend their influence to the democracy generally that it can be sufficiently extended to make the best result probable. As I have said, I would not wish to see an extensive record in education made the sole test. There are many individuals with unusual natural aptitudes for whom we must provide in a proper organization because we require services from them which we can only have if they are given full chances. But in the main a high standard of education is, I believe, one on which we shall do wisely to insist. The Civil Service itself, if it has the desire to do so, can accomplish much in the way of making this apparent. How it is to be done in detail is a problem of practice on which this is not the occasion to enter. The democracy as it becomes better instructed is likely to insist on its solution. For it has itself much at stake in seeing that those to whom the administration of many of the most important of its concerns are entrusted are fit for their work.

One or two things seem plain. The general organization of the Civil Service must be based on the carrying into effect of some such simple principles as those to which I alluded earlier. We may hope that this method will in the end be applied not less to the local public services under town and county councils. A distinguished public person, who had been engaged in making an investigation of the subject, said to me recently that he believed that the country could, if the proper reforms were made, be governed at two-thirds of its present cost. That may have been too sanguine an estimate. For there is an ever-increasing number of new services required as standards rise. But I think that there is underlying it a firm substratum of truth. There is to-day waste everywhere simply because we have not thought out our real requirements.

Such thinking out will not be accomplished without the co-operation and initiative of the Civil Service itself. That is why I believe that you will make a great mistake in this new organization if you let it degenerate into having for its primary purpose the mere protection of individual interests. You have to avoid what has been too prominent a feature in trade union organizations—organizations which are on the increase. You can best serve your own individual interests by seeking to do far more than this. Your standard must surely be efficient organization based on thorough understanding of what is wanted. It is about this that you may be called on to advise the Government itself. To insist on increased knowledge and training is not always a popular step. Do not be deterred by this, but rest your case on what increase in higher

The · Journal · of · Public · Administration

education among not only your members but the public generally is steadily bringing to light. Keep in close contact with these great schools of life and thought, the universities.

For knowledge is an entirety. There is no phase in it which does not bear closely on every other. That is because of the freedom of outlook which the highly-trained mind possesses. Whether the training has been in the humanities, in literature or history or economics, or in mathematics or science, it comes back to the same thing. What gives new power and new capacity for freedom and penetration is the discipline to which the mind has been subjected. The higher and more strenuous and concentrated such training has been the greater is likely to be the development of mental power and the ability to take the larger point of view. And only the higher forms of training, such as we associate with university standards, can fully help to this. But men and women can do much to develop their own minds by private study, if dominated by what is indispensable, the passion for excellence. Moreover, the universities are now extending their sphere of work, so that the student who is officially engaged during the day can come in the evening into that contact with the personality of the university teacher, whose stimulus and leadership is what is most important for him.

This brings me to my final point. It is not only by rendering highly skilled service to the public in dealing with administrative problems and questions, even of policy, that the civil servant of the future may serve the public. The Civil Service, if itself highly educated, may become one of the greatest educative influences in the general community. It may set a high example and may teach lessons which will have far-reaching influence. I believe that in its own interests, not less than in those of the State, it is well that it should set this ideal before itself as one which is of immense practical importance in its tendency to raise the standards in business and in life generally of those with whom it will have to be dealing constantly.

Such a new ideal of general education through public service in great departments may seem a novel one. But its utility is not less obvious. It is becoming more and more apparent that the future of this country is likely to depend on the establishment and maintenance of high standards, both in practice and in the theoretical attainments which are inseparable from it. If a new influence in this direction can become operative on the large scale which is at least possible for the Civil Service it will tend to maintain the high position of this nation among other nations, and to strengthen the position of the Civil Service itself.

Administrators—Imperial and Local

Administrators—Imperial and Local

BY FRANCIS R. ANDERTON, M.A.

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ONE of the purposes of the Institute of Public Administration as defined in its constitution is to keep the members and the public constantly informed as to the functions, aims, and utility of the Public Services. The term "Public Services" includes the Civil Service of Great Britain and Ireland, the Civil Services of India and the Dominions and Territories of the British Crown, International Services (e.g. League of Nations) and the local government and local administrative services of Great Britain and Ireland including county councils, borough councils, boards of guardians, district councils, port authorities, and other similar public authorities. In considering the aims and utility of these vast services it seems useful at the outset to draw attention to the various classes of persons who share in the work, their relations with each other, and the system under which the work is done. The action of Government is always under discussion or criticism; and in that connection the words "administration" and "administrator" are constantly in use and are not infrequently accompanied by severe and searching criticism. Thus recently lawyers in council assembled at Leeds have attacked the lack of responsibility, which they say is part of the Civil Service system, and have complained that in that Service a man can regard his position as secure so long as he performs the duties attaching to it "indifferently well." Justice requires that we should make some inquiry into the origin and present position of a class of public servants often much abused.

Administration is, of course, a product of the development of civilization. The administrator, however, whether so known by name or not, enters the stage at a very early period. Just as in the realm of law the man of action preceded the conception of a series of acts governed by a common line of thought, and produced the common law, so concurrently the man of constantly repeated action preceded and produced the same conception in other matters of everyday life, but particularly in regard to those acts which partook of a public character. Administration thus created in this country had local affairs for its basis. The affairs of the village community, the parish, the township, the county, all required the man of action in the first instance—the constable, the port-reeve, the sheriff appear. Out of their actions precedents arise, and by process of transmission a code of rules is

The · Journal · of · Public · Administration

evolved. Administration started in the home of British institutions, the government of small localities.

With the welding of the local communities into a national whole comes naturally the development of a national administration and of the national administrator. At first the sovereign is his own administrator; he raises, manages and leads his own army; he issues his own decrees; he dispenses his own justice. The venue of the latter is changed; from the conception of a breach of the peace causing injury to the local community springs the wider conception of its being an injury to the King as representing the whole nation. This transfer of ideas has taken place all along the line throughout the whole of public affairs, though it has not necessarily been translated into action. The next step is the natural sequel to the original centralization. Delegation takes place. Administrators are appointed by the King. The Chancellor of the Exchequer appears; Secretaries of State are created, and administrative duties are divided amongst numerous officers. Meanwhile local administration remains largely unaffected. The change therein has lagged behind so far as execution is concerned. But now legislation becomes recognized, and the necessity for taking counsel therein. Parliament appears for the nation, corporations having already arisen "at common law" for the locality; with this difference, however, that nationally, legislation and administration are kept apart, while locally such legislative powers as are possessed are vested in the same body of persons as is administration. Thus county councils, county borough councils, municipal borough, or town councils, boards of guardians, urban and rural district councils, which are all corporations either at common law or by statute, are all both administrators and legislators, though it is true that their functions in the latter capacity are restricted in both scope and jurisdiction. They may make by-laws or regulations but not laws truly so called. And by the way be it said all the members of these bodies numbering not fewer than 40,000 in England alone, are elected at their own expense, and, unlike the members of the national legislature, are unpaid. It can truly be said, therefore, that local administration is carried out by corporations aggregate, while national administration is more usually by corporations sole. Nor in making this general statement is the fact overlooked that administrative functions until comparatively recently were performed by the magistracy, for many years known as "the great unpaid." This is admittedly an important exception, but not sufficient to destroy the accuracy of the general statement. In passing, it may be observed that the modern tendency to emphasize this difference between local and Imperial administration is illustrated by the recent substitution of Ministers of Health and Agriculture for the Local Government Board and the Board of Agriculture.

Administrators—Imperial and Local

From the earliest times, the national administrator—the King's delegate—has been remunerated for his work. Pecuniary rewards have been his and they have normally been accompanied by honours. With the growth of the work of government, the sphere of the administrator has enlarged, and in the national service to-day are to be found men dealing administratively with a vast array of subjects varying from the correct assessment of income tax to the checking of the sum properly payable for the maintenance of a child in a sanatorium—from the management of working-class dwellings to the building of a new palace for a king. Their decisions are subject not to confirmation by the delegating authority, but to the acid test of action in the Courts of Law.

The unpaid administrator in national matters is so comparatively rare that it is hardly necessary to discuss his position. Eminent men, retired judges, civil servants or business men will sit as chairmen or members of commissions or committees, sometimes actively administering the law, sometimes sitting for the purpose of inquiring into suggested alterations of the law. All this is excellent service, but when compared with the amount of work properly and necessarily paid for, it is found to be small.

In the sphere of local government, development has proceeded on similar but not on the same lines. The separation of legislative from administrative functions, which has become in national affairs so complete that the link is an individual one only, has not proceeded to anything like the same extent in local affairs. So far as the larger local government authorities are concerned modern circumstances have at the present day produced a somewhat similar result, but except that every local government corporation is incomplete without at least its clerk as chief administrative official, the course of history shows a much closer and continued association between legislation and administration. As suggested above, however, in the larger areas, with the growth of local work, the gradually increasing tendency has been towards separation—not in this case by delegation with the test of the law as the ultimate sanction, but by what may be called limited delegation. Speaking generally, while everything analogous to legislation is kept in the hands of the local corporation, the detailed administration is remitted to officials, who often in cases primarily concerning the individual are assisted by a vast army of voluntary workers. The latter course is illustrated by those parts of the services of education and public health which deal with the care of children. The magnificent work and devotion of these voluntary workers in London is well known, and the writer's admiration for their public spirit is unbounded. This kind of delegation is, however, always subject to frequent and immediate reference to higher authority sometimes on all points, sometimes only on points of administrative difficulty. Thus has grown up, *vis-à-vis*, the paid national

The · Journal · of · Public · Administration

administrator, the paid local administrator. In the latter case, he is a paid servant pure and simple ; in the former, a paid servant, but often also a member of the body which he serves. In the latter case, by statute a barrier has been erected with the object of keeping the two functions apart. In the former case, the practical convenience of having one of yourselves answerable directly to you has caused exactly the opposite result. Transfer from national administrator to national legislator, and vice versa, is comparatively easy, and is viewed as normal and necessary. Thus a Member of Parliament may hold office as Secretary of State in a Cabinet which may last only for six months. He passes back from administrator to the sole function of legislator without trouble. Quite apart from transfer, the paid administrator, such as a Secretary of State, does not lose his position as legislator while holding office. So also though judges of the High Court or of the County Courts are precluded from sitting in the House of Commons, recorders of cities or boroughs, who are within certain limits paid administrators of the law, are not debarred from so sharing in legislative work. On the other hand, transfer from local administrator (paid) to local administrator (unpaid), and vice versa, is practically unknown. The only exception known to the writer is the case of the Deputy Chairman of the London County Council, who may be a member of the council and may be paid. It is true that while access to Parliament is denied to the paid local administrator (except in the case of a peer who might be a member of the staff of a local authority), membership of local bodies other than the one they serve is open to them as to the members of the Civil Service. Thus school attendance officers, teachers, and others in the employ of the London County Council are not infrequently members of the metropolitan borough councils, boards of guardians, or other local authorities. The paid local administrator may serve one local authority and be a member of another. There is therefore in local administration a certain amount of interchange between the unpaid body and the paid administrative staff, but that interchange does not permit of any ebb and flow between the paid and unpaid members of any one local body. One of the staff of a town council may, of course, resign his post on the paid staff and become an elected member of the council, but in so doing he steps from one category into another. He would find it difficult to retrace his steps. It would be interesting to discover the grounds for this difference between national and local law and practice. Is it that it is desirable to keep apart the paid and the unpaid ? Or is it that it is undesirable to make master and servant interchangeable ? The writer will leave the solution of this problem to others. In the world of business no such distinction is drawn (whatever the distinction may be) and seats on the board of directors are not only open to, but are frequently reserved for, the administrator who has proved his worth in subordinate positions. Of

Administrators—Imperial and Local

course the analogy is not complete. Business concerns are not conducted on philanthropic lines, and the best brains and the soundest judgment must be secured at all costs. Let it not, however, be understood that a criticism of the ability of the public administrator is implied. None such is intended. Considerations of policy and of the public weal in both local and national administration must always override the less altruistic considerations which necessarily sway the business man.

It is the special virtue of English administrative bodies, whether national or local, that a lofty tradition of public service obtains among them. The volume of unrewarded effort poured out by the vast body of members of local authorities is enormous, and it is pleasant to think that those best entitled to know argue that the standard of character and ability, which obtains among the men and women who constitute such bodies, is higher than ever. The Civil Service is justly proud of its record, and the staff of our great local bodies have built for themselves an equally fine tradition. The heritage of this great tradition is ours, whether we are paid or voluntary workers, so long as we toil for the public good. It is our duty to pass on this heritage undiminished to those who come after us. May the writer express the hope that it will be one of the functions of the Institute of Public Administration to aid us in this task?



Government and the Promotion of Trade

BY SIR WILLIAM H. CLARK, K.C.S.I., C.M.G.

WHEN considering how I should deal with the subject of Government and the promotion of trade, I have hesitated between two aspects of the theme. On the one hand, there is the question of policy, the question whether assistance to trade is or is not a proper activity for a modern State; on the other hand, there is the question of the administrative difficulties which arise and the methods by which they may be surmounted. With the latter I am naturally familiar through my association with the Department of Overseas Trade, the department to which this function is entrusted in the British administrative system; but the question of policy, since it has been more than usually open to challenge, has also necessarily been more prominent in the minds of officers of the department than is usually the case in regard to the basic object for which a Government department is created, and which, as such, can usually be taken more or less for granted. Indeed, it may be admitted at once that this function of assisting trade is one which stands on a somewhat different footing from most Government business in this country. Different people would doubtless classify in different ways the multifarious activities of a modern State, but for my purpose, I look on them as falling into three main categories. First, there are the absolutely essential services which are necessary for the existence of the State—the maintenance of order at home and of security against an external enemy, the provision of necessary finance, and the safeguarding of inter-imperial and international relations. Secondly, there is the putting into operation, the administering, of that vast body of legal enactment which the Mother of Parliaments continues annually to emit with a fecundity wholly unimpaired by the now venerable tale of her years. And lastly, there is the function merely of rendering assistance, by the supply of information and in other ways, to citizens of the State. It is hardly necessary, to the readers of this Journal, who consist largely of public servants, to lay stress upon the fact that the last category is infinitely the smallest of the three. When one has mentioned the Department of Overseas Trade and one or two others, the tale is complete. Nor, again, is it necessary to such readers to insist that such a function is apt to be looked upon a little askance by other departments as something perhaps somewhat abnormal, something not wholly consistent with the soundest traditions of the public service. I have even heard the Department of Overseas Trade described by a

Government and the Promotion of Trade

friend in the Treasury as a luxury department—a term of opprobrium indeed in these days of rigid national economy. So perhaps, in view of such aspersions as these, it would be only prudent to devote a part of my time to examining the question thus brutally posed : Is such a department, a department whose sole function is to promote the development of trade, a luxury, something otiose in the body politic, or has it become an essential part of the administrative machine ?

Though to the present generation it may appear a new thing for the State to be concerning itself with the promotion of our overseas trade, it should be remembered that for a great part of our history, promotion of trade was a definite principle of British policy, and even in the last century the principle in a sense subsisted, though it was held that the Government could serve the end best by doing as little as possible. But the ultimate aim of policy, and the methods pursued, have varied profoundly in different epochs.

The development of this aspect of the State's relation to trade falls into three periods. The first may be termed for sake of convenience the pre-Adam Smith period, during which the State concerned itself energetically with the promotion of export trade as a national aim, but the promotion was inseparable from strict regulation and control and the setting up of monopolies. Regulation indeed, exercised either directly by the State or through privileged corporations and trading companies, was an essential part of the system. It was essential because the aim was not the prosperity of the individual but the deliberate pursuit of national power. Treasure was the direct means of securing power, and industry and trade were to be so managed that treasure might be obtained; shipping was also an essential condition of power ; hence the navigation laws to safeguard and stimulate its growth. Colonial trade was strictly reserved, and imports and exports were fettered with an ever increasing complex of prohibitions, licences and tariffs.

The second period may be dated conveniently from 1776, the year of the publication of the *Wealth of Nations* and of Bentham's *Fragment on Government*, the *annus mirabilis* which also witnessed such diverse events as the Declaration of the Independence of the United States, the commencement by Boulton and Watt of the manufacture of steam engines on a commercial basis, and the publication of the first volume of Mr. Gibbon's immortal history. It extends for almost exactly 100 years from that date to the mid-seventies of the last century. In this period commerce was gradually emancipated from all restrictions ; the State, renouncing interference with trade, became passive, and a rigid policy of *laissez-faire* was established. National power was no longer the objective, but wealth and plenty.

The third period extends for what is now nearly fifty years since the middle of the seventies. During this period there has been a gradual

The · Journal · of · Public · Administration

evolution of a policy of active assistance in the promotion of trade without interference or regulation. The objective remains in chief as in the second period, but in the changed economic situation arising from the now formidable competition of other countries, the policy has become definitely national alike in its methods and its aims—in its methods, since the Government is taking an active part; in its aims, since the policy is based on the recognition of the vital importance of foreign trade, not merely to the individual trader but to the well-being and even to the existence of the State itself.

We have then, these three periods—the first of promotion with regulation; the second, of *laissez-faire*; the third, of promotion without regulation.

It may seem out of proportion to place the last-named development, which might perhaps at first sight be regarded as little more than a new orientation, on the same footing as such distinctive phases of economic policy as the mercantilism of the seventeenth century and the libertarianism of the nineteenth. Yet it helps greatly to clarify our view of the present trend of policy if we formulate definitely whither we are tending—a process which the gradual nature of the departure from the strict *laissez-faire* doctrine has assisted to obscure. The new policy is based, no doubt, in no less degree than its predecessor, upon the same fundamental principle of complete liberty for enterprise, but it is distinctive as recognizing as a proper activity of the State, a function which in the previous era the State had come to repudiate—not regulation but active assistance to unshackled individual effort.

It is not necessary to say much about the first period: regulation of foreign trade, in the sense of its control in the hands of an all-directing Government, has few friends nowadays in this country. It is interesting, however, to note that the need for a department of the Government which should be specially entrusted with commercial affairs was, as might indeed be expected, first realized in this period. A Committee for Trade appears to have been first instituted in the reign of King James I in 1622. It was set up in view of “the importance of encouraging the home manufacture of wool” (for which purpose some of the existing monopolies were to be relaxed), and of the “necessity of increasing the money within the realm” by various regulative measures. Cromwell, in 1655, appointed another committee to consider how the traffic and navigation of the then Republic might be best promoted and regulated. King Charles II instituted, in 1660, two Councils, one for Trade and one for Plantations; the Councils were subsequently amalgamated, and a Board of Trade and Plantations was constituted by King William III in 1695, whose functions were the promotion of trade of the Kingdom generally and the inspection of the Plantations in America and elsewhere. The functions of these various bodies are indicative of the economic theories

Government and the Promotion of Trade

of the period: the association of trade with plantations is especially significant of the contemporary conception of colonial policy—that colonies should be managed in the interests of the trade of the mother country rather than necessarily for their own advantage. With the coming of the new ideas towards the end of the eighteenth century, the Board of Trade and Plantations was swept away; colonial administration was separated off and handed over for a time to the Home Office; and in 1786 a Committee of the Privy Council for Trade was set up by Order in Council with a small establishment of clerks.

During the second period the legal constitution of the Board continued to be regulated by this Order, but its functions were greatly modified from time to time to meet the new requirements of the industrial age and under the increasing influence of *laissez-faire* principles. I propose to say a few words about the administrative effect of these principles as applied in the latter part of the period, and it is important also to consider their relation to the unchallenged supremacy which our trade achieved during that period, a supremacy unexampled before in our history, and possibly to remain unexampled for all time. This in its turn naturally raises the issue of the justification for any departure from a policy which was attended with so notable a success, and of the steps by which that departure was affected.

The political thinkers and statesmen of the early years after the Napoleonic wars, drawing their inspiration directly from Adam Smith and Bentham, and indirectly from the French economists of the eighteenth century, sought the greatest happiness of the greatest number in securing the removal of all restrictions which impaired freedom of contract, freedom of choice of occupation, and ultimately freedom of trade. They held, in Bentham's phrase, that "The motto or watchword of government ought to be 'be quiet'" and let self-interest have its perfect work. They acquiesced with reluctance even in such modest regulation of industry as was involved in the earlier factory and mines legislation, recognizing regretfully that all evils could not be certainly cured by the interaction of economic bargaining. But now we are concerned rather with the State's relation to foreign trade, and here a complete victory for the cause of liberty was achieved. In the course of the two central decades of the century, the restrictions on freedom of shipping under the Navigation Acts were swept away, and the customs duties on raw materials, food-stuffs, and in due course, manufactures, were first reduced and then finally abolished.

It is obvious that such an upheaval could not but profoundly affect the functions of the Government in relation to trade. The Board of Trade at that period was the department mainly entrusted with the administration of the customs duties and it was at the Board of Trade that Mr. Gladstone, in Sir Robert Peel's administration, began the task

The · Journal · of · Public · Administration

of their abolition. But when, as a writer, himself an official of the Board, a few years later put it, "the Board of Trade by a sort of poetic justice had become the chief instrument in the destruction of the work of its own hands," and when that task of destruction had been completed, the question arose whether there was any need for the Board of Trade at all, at any rate on the commercial side. On the administrative side, the growth of railways and shipping placed new and increasing burdens on the department, but what was left in the sphere of commercial policy? There remained, at first, one activity of great importance, in which the Board's Commercial Department played its part. In 1860 was negotiated the Cobden Treaty with France—the treaty which was made the instrument for removing most of the remaining traces of protection from the British tariff, while securing moderate duties in place of prohibition for the chief British exports to France. It was followed up by negotiations for a similar arrangement with Austria; and in the meantime, a network of continental treaties was being established, the effect of which through the operation of the most-favoured-nation clause, was markedly to lower the level of continental tariffs. The policy, however, was offensive to the purism of Mr. Lowe, the Chancellor of the Exchequer in Mr. Gladstone's Government of 1868, and it was permitted to fall into abeyance. There was then little left. It clearly could not enter into the philosophy of a Government which had so nearly transmuted the doctrine of non-interference into one of inaction, that the State should endeavour to afford assistance to individual traders in the prosecution of their business. By the beginning of the 'seventies, the occupation of the Commercial Department was nearly gone. I have among my papers a document worthy of the attention of the Institute of Public Administration as a curiosity, possibly unique, in the history of the public service. It is a memorandum in which the head of a department, addressing his minister, argues vigorously, almost passionately, for the abolition of his department and for his personal retirement from the service. The author was Sir Louis Mallet, the head of the Commercial Department of the Board of Trade; it is dated December, 1871; and the grounds of his contention are that the work of the department had almost disappeared. His recommendations, so far as related to the department, were accepted; what was left of its duties were handed over to the Foreign Office; and for ten years the department ceased to exist.

The pendulum had swung too far. It was perhaps not unnatural, in the absence of any check to the national prosperity which might have chilled the apostolic zeal of the times. The matter is put in a nutshell by a clear-sighted, if somewhat unkindly, critic of the period whose comments are quoted in Sir Bernard Mallet's admirable life of his father—"With our parochial tendency to generalize from specific British facts as if they were necessarily exhaustive in each case, and to argue as if

Government and the Promotion of Trade

every other country were circumstanced precisely as we are ourselves, we have not ceased to talk as if it were a law of nature that exports should be able to take care of themselves"—"That exports should be able to take care of themselves"—there was some excuse for the belief. Never had a nation had such an opportunity as fell to Great Britain in the nineteenth century; never had an opportunity been more magnificently seized. When Watt was making the steam engine a practicable source of industrial power, France was the leading economic force in Europe. She had a population of 26,000,000 at the time of the outbreak of the Revolution, whereas this country contained only 9,000,000; she possessed plenty of capital and her exports and imports were larger than ours; but the Revolution and the Napoleonic Wars put back the clock of her prosperity for forty years. Of the other countries which compete with us for trade in these days, Germany and Italy were not yet welded into nations; the United States was little more than a fringe of provinces along the seaboard and could not become an industrial power until the construction of railways made the opening-up of the country possible; in the Far East, Japan was still a medieval state. We had the advantage in the juxtaposition of ore and coal and in having capital available. In these circumstances, it is hardly surprising that the British became the unchallenged suppliers of the world. Having built the railways of their own country, British contractors financed and constructed railways in Europe and further afield; it is stated that between 1850 and 1870 the great contractor Brassey built no less than forty foreign railway lines in different parts of the world. The same holds good of ships, of machinery, of textiles, and the rest. There is no need to go into further detail; in a single sentence, it may, without exaggeration, be said that during the twenty-five years from 1850 to 1875 Great Britain was the forge of the world, the world's workshop, the world's carrier, the world's shipbuilder, the world's banker and clearing house, and the world's entrepôt. Statesmen in all ages are not disinclined to take credit for any benefits which may accrue within the ambit of their period of power, and it is not unnatural that looking upon the work of their hands, and seeing that it was good, the politicians of the 'sixties and 'seventies should have disregarded the advantage we secured by our long start in the race, by the absence of competition at the beginning, reinforced subsequently by the effects of the Austro-German and the Franco-German Wars and the civil struggle in the United States; and should have failed to forecast the change which was destined to be brought about as the result of improved transport by land and sea, the creation of which had added during the past twenty years so greatly to our industrial prosperity. All this was natural enough at the time, but looking back we may, I think, legitimately conclude, without in any sense undervaluing the service done to commercial enterprise by the removal of all restrictions on its liberty, that the

The · Journal · of · Public · Administration

extremes manifestations of the *laissez-faire* doctrine were a reflection of abnormal prosperity rather than its cause.

The tide indeed was destined soon to turn. The rapid growth of Germany after 1870, aided by the new processes which enabled her to use the great resources of ore which she then possessed in Lorraine; the industrial development of the United States; the effect of cheap transport in enhancing competition; all these meant that the supremacy of the United Kingdom had been challenged. The effect on our trade was intensified by the growing sense of nationalism in Europe which manifested itself in the gradual increase in the level of customs tariffs. The great depression in trade set in and lasted for nearly twenty years; and with it came the inevitable reaction against the economic policy of the preceding era. The reaction took two forms. There was a revolt against free trade itself, manifested first in the fair trade agitation of the 'eighties and later, within the memories of all of us, in the campaign for tariff reform. Side by side with these controversial topics which are outside the scope of this paper, there was a growing demand that the Government should take a greater degree of interest in trade. The example was specially cited of Germany, where the foreign policy of the Government, it was thought, was directed with greater regard than in this country to commercial interests, and where the Government was seen to take an active part in commercial propaganda, especially through the diplomatic and consular services. The new conditions, the new temper, began to be reflected in a change of attitude on the part of British Governments. A new interest began to be taken in the development of markets within the Empire. We entered once more as occasion offered into the arena of commercial negotiation. The function of advising on these matters was restored from the Foreign Office to the Board of Trade in 1882, and it is significant of a growing recognition of the State's obligation towards its traders that about this time closer relations began to be established with the commercial community. Sir Alfred Bateman, recently Comptroller-General of the Commercial Labour and Statistical Department of the Board of Trade, who entered the Board's service in 1865, tells me that it was about 1880, when Mr. Chamberlain was President of the Board of Trade, that its officials were for the first time encouraged to get into direct personal touch with representative commercial bodies and Chambers of Commerce—an essential step if the State was to co-operate effectively with trade. In 1880 also, the first commercial attaché was appointed with the comprehensive charge of no less than the whole of Europe. But opinion was still cautious lest the State, or at any rate its officers, should be over-zealous. A Royal Commission was appointed in 1885 to examine the depression of trade and industry, and to explore every avenue which might lead to improvement. Among other topics, it reviewed the activities of the diplomatic and consular services. The

Government and the Promotion of Trade

final report refers to suggestions having been offered by several witnesses as to the assistance which the foreign services might afford to trade, but the idea aroused little enthusiasm in the Commissioners' breasts. "We gladly recognize," they wrote, "the efforts which have been recently made to utilize the services of these officers more effectually, but we doubt if their functions could be usefully extended in the direction referred to." They did not object to consular officers reporting any general information which they might acquire with regard to the trade of their district, but they added: "We should deprecate any change in their position which would bring them into closer relations with individual firms." They also thought it would be undesirable for them "to take a more active part in pressing particular schemes or enterprises set on foot by British traders in foreign countries," since such action, they considered, would "tend to lower the reputation of the country." This did not augur well for any extension of the commercial intelligence service, but in spite of it, the Government continued slowly to increase the number of commercial attachés. A second attaché was appointed in 1887 to deal with the whole of Russia, Persia, and Asiatic Turkey, and further appointments were made from 1895 onwards until, by 1914, there were eight in all, including two in the Far East and one in America. In the meantime, a further step was taken at home. The Board of Trade appointed a committee in 1898 to consider the dissemination of commercial information, and on receipt of its report, instituted the Commercial Intelligence Branch of the Board of Trade in 1900, an office which was to deal with commercial enquiries and, on its own initiative, to distribute such information as it could obtain as to openings of trade and similar topics. About the same time, the first Advisory Committee, consisting partly of business men and partly of officers from other departments, was appointed to assist the Board in matters bearing on commercial intelligence and the development of trade. A few years later, following on the Imperial Conference of 1907, it was decided to appoint four trade commissioners in the Dominions, a very important step, for hitherto British commercial interests had had no direct representation within the territories of our own Empire. By the outbreak of war, therefore, the new policy, on a small scale no doubt, and tentatively, was being put into practice. Before the end of the war, it was definitely adopted as one of the measures of reconstruction, when the Government determined to extend and reorganize the commercial services abroad, and to create a new department with a minister of its own whose sole function should be the promotion of our overseas trade.

Let me turn for a moment to the question of the organization required for carrying out the policy and of what has actually been done. Time brings its revenges. In 1870, as we have seen, the head of the Commercial Department of the Board of Trade was ready to commit official *hari-kari*

The · Journal · of · Public · Administration

and to see his department handed over to the Foreign Office : in 1917, the Foreign Office and the Board of Trade were strenuously contending which should have the honour of promoting British trade. Diplomatic negotiation would, in any case, remain with the Foreign Office, acting in commercial matters on the advice of the Board of Trade : but controversy raged over the work of collecting and distributing commercial intelligence and of affording direct assistance to traders. No one approved the dual control involved in the existing system, under which the work abroad was done by officers serving under the Foreign Office while the fruits of their labours were handled by the Board of Trade, but the two departments could not agree upon a satisfactory solution. The difficulty is a very real one and is not peculiar to this country. The issue raises some very interesting questions in the application of the principle of departmentalism, especially as to what would be involved in attempting to turn the Foreign Office into a quasi-commercial department, which a school of business opinion strongly advocated at the time as a reason for its being entrusted with this work. Much the same argument, it may be noted, had been adduced fifty years earlier by Sir Louis Mallet. It would have been interesting to examine this question in some detail, but I am afraid space is not available to do more than summarize very briefly the main points at issue. On the one hand, the work of assisting trade impinges very closely on diplomacy, since it involves frequent contacts with foreign governments ; and it is eminently desirable that the commercial staff in foreign countries should form an intrinsic part of our diplomatic missions. The work of consular officers also is largely political and the transfer of that service to the Board of Trade would be open to serious objection. On the other hand, the Board of Trade, as the commercial department of the Government, is necessarily the department in closest touch with the needs of the business community. It is clear also that if this work were handed over to the Foreign Office, it would be difficult to draw a definite line between assistance to trade and commercial policy ; there would thus be a serious risk of, so to speak, a rival Board of Trade being set up within the Foreign Office, an outcome which would be incompatible with that clear differentiation of functions which is so important a part of good administration. Again, there was the difficulty that something over a third of our trade is carried on within the Empire, in respect of which the Foreign Office could have no *locus standi*. Such was the position ; it was not easy for either department to give way ; and a committee appointed to examine the problem split itself neatly into two and presented two wholly divergent reports. But the British nation prides itself on a special talent for compromise, particularly for the type of compromise which enables either party to a controversy to say that he has won, or at any rate that the other has lost, while both combine to get on with the work. That

Government and the Promotion of Trade

is a quite fair description of the principles underlying the creation of the Department of Overseas Trade. A joint department of the Foreign Office and the Board of Trade was set up with a minister responsible to both and a permanent head appointed jointly by the Secretary of State and the President of the Board. The new department was entrusted with the administration of the trade commissioner, commercial diplomatic and consular services ; with the collection and distribution of commercial intelligence ; and with assistance to trade generally. The advantage of this, at first sight, rather anomalous institution, is that such duality of control as remains is concentrated, so to speak, on the heads of the department : so far as the overseas services are concerned, unity of control and unified direction of their work is secured through their being now administered by a single department of the Government ; while the commercial community has now a single department to which to apply when they require information or help.

Much of the time of the department since its institution has been devoted to creating the machinery required for the efficient performance of its functions. The work to be done comprises the collection and distribution of all forms of commercial intelligence likely to be of value to manufacturers and merchants. This includes information on such specific matters as actual openings for trade, contracts for public works and stores, opportunities for investment of British capital, etc. ; and on such general topics as conditions of local trade and credit, customs, tariffs, foreign competition in markets abroad, development and organization of local industry which may result in effective competition in other countries, and so on. Efficient commercial services are, therefore, required overseas whose officers shall be able to collect the needed intelligence, and also personally to assist and advise traders in their contacts with colonial or foreign governments and their officials, or to help them to get into touch with the local commercial community ; and it is necessary to have at headquarters an office so organized that it can maintain the necessary touch with the business world and suitably direct and control the work of the officers overseas.

The trade commissioner service within the Empire has been extended ; the position of its officers in the Dominions has been very greatly improved and their status is now fully recognized by the Dominion Governments. We have, of course, this great advantage within the bounds of our own Empire that the Dominion and Colonial Governments have every desire to remove obstacles which may prejudice inter-imperial trade if and when they are brought to their notice ; but prior to the creation of the trade commissioner service and until its officers were authorized to approach Dominion ministers on such subjects, there was no adequate machinery for the purpose. Consequently, paradoxical as it may appear, the interests of foreign traders were often better represented in the

The · Journal · of · Public · Administration

Dominions through the medium of their regularly accredited consular officers than were those of our own nationals. This has now been changed, and our officers have frequently been successful in securing from the governments concerned more favourable tariff treatment for British goods and in obtaining the modification of regulations which may adversely affect our trade or of conditions which, quite unintentionally, may prejudice British firms in tendering for Government orders.

The consular service has been reorganized and the commercial diplomatic service has been practically created. These latter officers are no longer merely attached to the various embassies and legations, but are now an integral part of the diplomatic service. We have all heard complaints in the past that British diplomats did not take sufficient interest in commercial affairs, but I believe it would more often be found, not that the interest was not there, but that our ambassadors and ministers lacked sufficient expert assistance in dealing with business questions. That assistance has now been provided, and the establishment in the more important diplomatic missions of officials whose special function is the study of commercial questions, who remain at their posts longer than is usually practicable for the diplomat, and who are thus able to acquire special knowledge of the local commercial community and of local conditions, already greatly facilitates the handling of such matters, and must, I believe, have an increasingly important influence on the commercial aspect of our diplomacy.

The office at headquarters has been organized on the principle that the main work of the department has two sides to it—one concerned with the overseas markets in regard to which information, advice or help is required; the other concerned with the trades and industries in this country which require the information, advice or help. On the one side, therefore, are the sections dealing with the various groups of countries whose function is to collect information and to advise on those countries, the sections, in the case of foreign countries, being arranged on lines closely corresponding to those of the departments of the Foreign Office, so as to facilitate co-operation between the officers handling respectively the commercial and political aspect of any question. On the other side are the sections dealing with the various groups of industries. Experience has shown that this system, which may sound rather over-elaborate, is essential to efficiency, and it is interesting to note that it has recently been adopted by Mr. Hoover, the Secretary for Commerce in the United States, in re-organizing the corresponding department under his administration.

Special care is taken to maintain the necessary intimate relations with the business world. The department is fortunate in having the assistance of an Advisory Committee consisting of members representative of industry, commerce and finance. To this Committee are submitted not only

Government and the Promotion of Trade

questions of special difficulty and importance, but also detailed periodic reports on the current work, so that they are in a position to keep track of, and if necessary, to criticize what is being done. We are also in very close and continuous touch with the great commercial bodies such as the Chambers of Commerce in the chief industrial areas, the Association of Chambers of Commerce, and the Federation of British Industries. A marked feature in the evolution of the new policy has been the steadily increasing effectiveness of the organization of commercial opinion through Chambers of Commerce, Trade Associations, etc., a development which contributes enormously to successful co-operation between the commercial community and the Government.

This is necessarily a very incomplete sketch of our organization, and I would be the last person to suggest that the machine is yet perfect. Nor is it for me to lay stress upon the services rendered to traders, though it is pleasant to be able to recall that these have not been inconsiderable, and that among the department's regular clients are some of the most important firms in the kingdom. All I would claim is that a beginning has been made on lines which should prove increasingly fruitful, if the policy which the department represents is to continue.

On that issue, my own opinion is probably obvious enough, but it is open no doubt to the sceptic to reply in the words of the Latin poet—*"dis aliter visum"*—"the gods—in this case the Geddes Committee—thought otherwise." Doubtless it is an impressive fact that five business men of great eminence, with highly successful careers behind them, should have thought this function of the State of so little importance that they were prepared to see its exponent in the British administration crippled for the sake of a comparatively small economy. It is an impressive fact, and yet their view was not shared by commercial opinion generally, whose representatives strongly urged the Government not to accept the Committee's recommendations. The muse of history has a pleasant trick of repeating herself, and it is apposite to recall a dissentient voice which was uplifted, when 140 years ago a greater even than Sir Eric Geddes, if such a possibility may in all reverence be admitted—Edmund Burke—inspired by the same zeal for national economy, had secured the abolition of the Board of Trade. "It is a most extraordinary circumstance," wrote Lord Sheffield, "that a nation which states itself to be commercial, should not have a minister, or board or persons whatever, who necessarily attends and applies to, comprehends or considers, the state of commerce . . ." "Boards of Treasury and Admiralty," continues with pardonable exaggeration this admirable nobleman, "comparatively are of little consequence, the business of the Commissioners or Lords, except the First Lord, being nearly no more than officially to sign their names." Contemporary opinion to-day would hardly perhaps go so far as this when reduction of the level of taxation, and of the expenditure which

causes it, is so vital to the restoration of industry, yet representative commercial bodies continue to press, as we have recently had evidence, for more rather than for less expenditure upon this work.

Yet the issue turns in the last resort on larger considerations. In 1780, the nation was fully entitled, in Lord Sheffield's words, "to state itself to be commercial," but our trade meant something very different to us then from what it does now. Great Britain then was largely self-supporting; we grew most of our food and produced a considerable proportion of our raw materials; foreign trade was a source of wealth, but not a matter of vital interest as it is to-day. Our present vast inflow of food and materials has to be paid for by exports, and while it is true that no country can secure exports without imports, it is equally true that no country can have imports unless it can find an external market for its goods. If our exports fall off, we should soon realize the extent of the disaster. Men, moreover, must have work as well as food, as we have every reason to know in these days when this country has to support the burden of 1,400,000 of unemployed. Better times no doubt will come as the depression, which must follow a great war, slowly passes away, but it would be foolish to ignore the difficulties which will remain. Competition will certainly not slacken. The industrial productivity of the world is increasing steadily; for not only did the demands of war mean great expansion in Europe and the United States, but industrial development has been stimulated in countries which were formerly our greatest markets and which during hostilities found themselves cut off from their usual sources of supply—and on that road there is no turning back.

We need not be unduly despondent, yet in view of tendencies such as these, tendencies which cannot lightly be ignored, it seems scarcely possible that we should revert to the easier methods of easier days. In some minds, perhaps, there is an anxiety lest in looking to the Government for assistance, trade may again be forging for itself fetters such as shackled its freedom in our earlier history; but recent experience, I think we may claim, has shown that the new policy need imply no impairment of self-reliance or interference in the private citizen's affairs. The change from the past age is simply this, that we recognize now a situation which requires the best efforts of individual and State alike, acting in closest co-operation, a situation in which the State can no longer refuse to take a hand. The game has become one in which no points can be thrown away.



The American Civil Service

The American Civil Service

By G. H. STUART BUNNING, O.B.E., J.P.

Some time ago a committee at the Ministry of Labour asked me to lecture on the above. Procrastination, ill-health, a good deal of work and other causes resulted in my addressing my audience with apologies and a few scrappy notes. The meeting was kinder than I deserved, but the following is a digest not so much of what I said, and is certainly not in the disorder in which I said it, as what I should have said if I had been able to give some time to its preparation.—G. H. Stuart Bunning.

THREE months in the United States does not constitute one an authority, and although I enjoyed special advantages, to say nothing of being connected by correspondence with American civil servants for many years, I do not claim anything more for these remarks than that they are strong impressions. Subject to these qualifications, I returned convinced that our own Service was more efficient and less wasteful in many ways, and that the reason was to be found in a difference of system and a difference of outlook. So far as the system of recruitment is concerned, it should produce the best people in the States; indeed, after reading the appalling questions candidates have to answer—on oath—I wondered how anyone could ever reach the standard demanded by the authorities. I was told no one ever did, and that the forms were regarded as forms and that was all. Sometimes a Congressman found himself in the awkward position of being forced to nominate a candidate whose success he did not desire, and in such cases the forms served a useful purpose, but I was assured that if the Congressman really desired to get his man in, the form made no matter. Here one gets at once a great difference between the two systems, and I gathered that this was the great evil of the United States Civil Service. President Wilson did much to eliminate politics from Civil Service appointments but found great opposition, mainly from his own party, and the political boss still retains much influence. I asked one man how he gained his position and he replied quite simply that he had good friends in Congress. A Post Office official from this country visited a great American Post Office a few years ago. The postmaster apologized for not being able to show his visitor round, explaining that he was very full with election work, but he added that the Englishman was really in luck for he, the postmaster, knew nothing of the work, while his immediate subordinate knew all about it. The postmaster's appointment was purely political.

The political pull has a bad influence on the morale of the Service, but an almost greater defect was that in the States the Civil Service is

The · Journal · of · Public · Administration

scarcely ever looked upon as a career. I heard a man saying that his son had left the Service for a commercial career as "the Civil Service was no place for a smart young man," and his audience entirely agreed. In this country when a boy or girl is growing up there is a solemn discussion as to the future and the Civil Service is always one of the possibilities. In the United States it is not so, and the Service is the poorer in consequence.

One result of this may very easily mislead a stranger. In Washington I met a number of very able men connected with the Civil Service and who gave me a high opinion of it, but later I discovered they were all birds of passage, everyone of them having been brought in to do special work and none of them intended to stay.

The conclusion I arrived at was that owing to the way in which the Service was recruited, it was necessary to bring in outsiders for any special purpose. In 1919 the Civil Service was in a state of ferment because Congress had appointed a committee to go into the whole question of salaries and classification in the district of Columbia, apart from the Navy Departments and the Post Office. The reason for this limitation was that the committee would travel over ground we should call "Treasury Class Ground," and thus might hope to conclude its labours in a reasonable period. The committee was comparable to a Royal Commission, and one of the curiosities of the Act which established it was that \$25,000 was set aside for expenses. There were six members of the committee and a number of advisers, to say nothing of the subordinate staff, and each member of the committee was to receive \$7,500 a year. The committee, however, sat for so long that the estimate was largely exceeded by the salaries of the members alone, and then its life was prolonged on the distinct understanding that the original estimate was not exceeded!—I never learned what happened! The committee made a very thorough investigation and discovered that there were 1,700 different classes in the Civil Service and more than 2,000 different titles. The report takes credit to itself for substantially decreasing the number of titles and adds incisively: "We have done something more than that. Our titles mean something." It then sets out a number of excellent principles with regard to recruitment, and advocates a re-organization of the Civil Service Commission so that it may fulfil its function as the Government Central Employment Agency. It recommends promotion from class to class, apparently exclusively by a system of examinations, and desires to treat the Civil Service as a whole and make avenues of promotion from one department to another. The section dealing with retirement is illuminating and the committee recommends the establishment of an actuarially sound Retirement Law on the ground that the Government of the United States is really maintaining an inefficient and expensive Civil Pension system. Some of the passages

The American Civil Service

in the report are almost incredible, but it is solemnly set out that members of the staff are brought to their desks in wheel-chairs, and that in one case a man on the active list had no duties of any kind because he was blind! The committee found, as in this country, civil servants were charged with crimes they had not committed, and one of the points of criticism in the States was that every employe in the Government service in Washington—which means over 100,000 people—had been taking thirty days' sick leave on full pay every year; the returns showed that the average was five days a year, which incidentally is a little below the average in this country. The Commission also strongly recommended equal pay for equal work, and equal opportunities of promotion for both sexes. I was told that in theory women were equal to men already, but that in practice they got neither the higher ranges of pay nor the highest positions.

The above is a concise statement of the findings of the Commission, and those of us who have experience of Royal Commissions, will not be surprised to learn that the findings were very considerably whittled down before being put into effect. There has been a re-classification of salaries which has considerably increased the pay of the United States Civil Service, but the findings of the Commission do not apply to the Post Office, and except amongst the lower grades of that establishment, very little has been done. The result is that the Postmaster-General brought the matter before Congress in his last annual report, and gave some extraordinary examples of anomalies, quite apart from the question of sufficient pay. The Chief Post Office Inspector gets \$4,000 a year, whilst the inspectors who are subordinate to him get \$4,200 each a year! The maximum pay for certain clerks is \$1,600—the minimum for other clerks, doing precisely the same work, ranges from \$1,100 to \$1,240! Some of these anomalies have been brought about by the success of the minor grade organizations. They have, for example, in the case of sorters and postmen, who are known as clerks and carriers, been able to get a minimum of \$1,400, but others who are higher on the official list, but are not organized, can apparently only get \$1,240, and then only on promotion. The Postmaster-General points out that immediate legislation is required to deal with these things, and that at once brings out an extraordinary difference between the Civil Service of the United States and this country. Salaries are fixed by what are known as Appropriations, which are in effect Acts of Congress, and no head of a department seems to have any rights whatever to make any alteration. The only way in which this can be done is by another Act of Congress, and Congress, like our own House of Commons, is jealous of increasing the cost of the Civil Service. I heard some wonderful stories of the way in which Congress was bamboozled, and one will bear repetition. An exceedingly able man became dissatisfied and tendered

The · Journal · of · Public · Administration

his resignation. The head of his department was at his wits' end to know what to do, but finally he altered his subordinate's title and Congress was persuaded that this justified an increase of salary. The plan was so easy that resignations came on several occasions, and in the end five different titles had been devised for this officer, each carrying an increase of salary, but none making the slightest difference to his duties. It is the same with regard to overtime pay. Congress is reluctant to sanction overtime pay for civil servants, but the exigencies of the Service demand that overtime shall sometimes be performed, and during the war this was necessarily of a very large amount, and did not fall exclusively upon the people with high salaries. That, too, was got over by an ingenious expedient. President Wilson persuaded Congress to give him a very large sum of money without submitting details, and whilst no overtime system could be brought into operation, bonuses were granted for extra work. It is hardly necessary to say that these bonuses were not very well distributed, and in few cases were adequate. Moreover, the war had caused the price of labour to go up and a case is recorded of a fairly highly placed official in the War Office, of long service, whose daughter fresh from school, was employed as a junior shorthand-typist at an initial salary little less than that received by her father!

Such was the position which the Reclassification Act of 1922 set out to amend. Let us see how far it did this, and to get a fair picture we must envisage the Civil Service in America as it was a few years ago. There was no security of tenure, no pension system, a curious and unequal system of sick pay and holidays and, above all, so far as the higher ranks were concerned, a probability that a change of Government meant dismissal. All this is difficult for us to understand, but the truth is that in the States the Civil Service was one of the least and not one of the most important industries. Until recently the States had practically no colonial commitments, its foreign policy was limited in scope, much more so than now, by the Monroe doctrine, and to come to lesser but not unimportant things, the telegraph and telephone were, and are, in private hands, though a Government parcel post system has now been installed.

Thus, while in the lower ranks there were a large number who stayed for purely economic reasons, the higher branches underwent continual change, partly from political causes and partly because the salaries were so low that the good men were tempted to take up commercial careers. There was, fortunately for the Civil Service, a residuum of those people who love the Service for its own sake, and who stayed against their material interests. These formed a backbone and to them was added a number of experts who were brought in from time to time, and who undoubtedly did good work.

Roosevelt was perhaps the first to realize the changing conditions

The American Civil Service

and the necessity for a reformed Civil Service, and he did something in this direction, but to Wilson are due the greatest changes with respect to the diminution of political influence and to greater continuity of service. Now a pension law has been passed and the American Civil Service is rapidly moving in the direction of European services.

One of the curiosities of the committee's work was its engagement of a firm of "Business Doctors" to work out a scheme of classification, and in Canada I was told the Canadian Government had employed the same means with particularly disastrous results. I suppose Part II of the Reclassification Report flows from their work and it is indeed a monument of industry even if, to an Englishman, some of it seems misplaced. Its detail is amazing and, indeed, one is always struck by the love of minute detail in America. It shows in all kinds of ways, but particularly in the monographs, turned out by the scores in their colleges, and the questions one is continuously asked. Surely no people are so avid for information as the Americans. Part II of the report appears to be a justification of the committee's boast that its titles mean something. There are hundreds of them, and in each case the duties are all carefully scheduled. For example, a senior research translator has "to search for, collect, classify and make available by means of compilations, abstracts, indexes or bulletins, data concerning special subjects under investigation; in some cases, to supervise the work of subordinate employees; and to perform related work as required." Not much is left to chance there! Considering that he must possess a degree equal to that of a university and must be able to translate from four or more languages, his starting pay of £387 10s. a year does not appear excessive. Some of the titles appear strange. There is an Americanization Teacher, whose duty it is to teach foreigners the English language and to "participate in civic and patriotic activities." There is a Tree Surgeon and a Plant Pathologist, a Wetting Machine Operator, a State Swine Herdsman, whose line of promotion from farm hand is carefully noted.

The general result of the committee's work is that the United States Civil Service is moving in the direction of our own, but this is rather the effect of circumstances than any desire to follow our methods. The fact is that the States is getting past that period in a new country when everybody is too busy to think of a Civil Service and when, indeed, it is of little importance, and reaching the stage when it is necessary for good government so to organize a Service as to secure candidates at least equal to those who go into commercial life.

Taxation and foreign policy are becoming more complicated and, in a word, the United States is becoming an older country. Thus it is we find recommendations designed to attract university graduates, to set up a clearer system of increments and promotions and a pension system.

The · Journal · of · Public · Administration

Naturally, I inquired as to the progress "Whitleyism" had made and found that our reports were well studied but the peculiar conditions of America, where collectivism is everywhere the doctrine and individualism the practice, were not too favourable, but the Personnel Committee suggested by the Commission goes some of the way, and since my visit Mr. Hays, the Postmaster-General, has introduced a system of advisory committees in the Post Office. Altogether, it may be said that the Civil Service of the United States is a fascinating and profitable study.



The Administration of Africa

THIS series of studies started by pointing out that Africa is pre-eminently a dependent or, rather, *the* dependent continent, and that it has become, in the main, a great dependency of Europe. Whether this is good or bad for Africa, it is a fact; the European Powers which have territorial interests in Africa are not the least likely to give them up, and, if they did, their exit from Africa at its present stage could only mean chaos and anarchy. Recognizing, then, this cardinal fact that Africa is a dependency of Europe, how far is it likely to be to the advantage of Africa that the nations which bear rule in Africa have been reduced in number? No one Power, of course, could possibly take charge of the whole of this vast continent. . . . But, assuming that the European peoples are more or less qualified peoples, the answer to the question, whether Africa stands to lose or to gain by having fewer or more European nations taking part in the control of the continent, depends upon the answer to another question, whether it is more important to give the utmost facilities for positive work of development or to provide the greatest possible safeguard against abuse of position and power? The fewer the controlling Powers are, the more scope each must have, and the larger must be the areas over which there is the same kind of dealing and continuity of method. Granted that the intent is good and the methods moderately wise and just, it must be more intelligible to native minds and, on the whole, more favourable to native interests to deal within well-defined areas with one and the same type of white man.—(From "*The Partition and Colonization of Africa*," by Sir Charles Lucas, K.C.B., K.C.M.G. [Oxford: Clarendon Press.])

Teaching of Public Administration in U.S.A.

The Teaching of Public Administration in U.S.A.

BY I. G. GIBBON. D.Sc., C.B.E.

PROVISION for the teaching of public administration is more extensive in the United States than in this country; the average standard of public administration is, however, much below that of Great Britain.

The tempting deduction is that enlightenment (or instruction, not quite the same thing) is a bar to efficient administration—a conclusion which, while not ruled out, might be a little premature.

The practice in this country is for the official, whether of the Central Government or of the Local Authority, to enter on his job young, after a general education of sorts, with no particular knowledge of his task, and then to learn his work in the doing of it. Not at all a bad system, one which has proved its justification in no small measure by its results.

The danger of it is threefold—(1) that it will break down when confronted with wholly new problems, (2) that it leads to a stereotyped administration, lacking in imagination and initiative, and (3), following on these two, that it fails to sense problems sufficiently ahead, which, therefore, are allowed to grow until their urgency forces improvised solutions.

It is not my present purpose to consider how far these conditions apply to our civil and municipal services of to-day, or how far the growing complexity of new problems makes the old conditions of training inadequate, so I must be content with simply stating the problem.

The United States provide more fully for instruction largely because they do not possess any such weathered system as ours through which the skill of public administration may be acquired almost as a babe takes its milk. They lack any such trained network of civil and municipal servants as exists in this country. They do not possess such a corporate body of trained administrative experts on which new entrants can be readily grafted. These are the reasons why the States devote themselves more to instruction, apart from their saving faith (with qualifications!) in education.

Their country is in rapid development. Conditions are constantly changing. New problems are continually arising. Town life is spreading with disconcerting speed. Communal organization and control, in some shape or other, manifestly becomes more and more a pressing necessity of life if even the most elementary amenities are not to be sacrificed.

The · Journal · of · Public · Administration

Behind these factors there is also a salutary (though in some respects hampering) absence of tradition which enables them to look at problems with a virgin eye (and some of the innocence, too, is there) and leads to fresh experiments in government which an older country would try only after long enquiries by Commissions and Committees and many weary debates in Parliament. There is at the present time no country in the world approaching the United States in the intense interest of its endeavours to grapple with the problems of government.

There is absence of tradition—and at the same time an overwhelming weight of tradition. It is interesting to the student of English Local Government to observe how largely still the people of the United States, so polyglot in origin, are laboriously trying to pour new wine into old bottles, how the old hoary forms of Anglo-Saxon Government still linger snugly in communities whose modern problems have far outgrown their compass; how also under the weight of this tradition and the equally heavy weight of traditions of the equality of man and the inconsequent notion of the equal ability of each citizen to perform communal service, offices requiring laborious skill for their fulfilment are still held by men chosen at the poll, just as representatives are elected.

Public administration in the United States is still to a great extent amateur; and the increasing facilities for instruction in public administration are largely a reflex of that fact.

Another interesting feature of these conditions is the much larger amount of research work into social conditions proceeding in the States, not only in the universities and other educational institutions (and it would surprise the academic Englishman to know how much is done; to find, for instance, a flourishing department of governmental research, with definitely practical objectives, as part of the university), but also by private organizations, most prominent of which is the Russell Sage Foundation (founded by private benefaction) which carried out several years ago a most thorough and enlightening survey of Pittsburg which stimulated many needed reforms. This was followed up by several other similar surveys, and the Foundation has just given a large sum of money for the preparation of a town plan for Greater New York. Would that some wise possessor of superfluous wealth would give a like sum for a town plan of Greater London, where the need is not less pressing.

Among these research bodies, the New York Bureau of Municipal Research, founded as far back as 1907, ranks high. It not only engages in research for the sake of research, but has a body of specialists who enquire into particular problems and advise on them, in the same way as specialists do for business firms. This Bureau has conducted a very large amount of investigation into practical problems, in over a hundred cities and towns.

Teaching of Public Administration in U.S. A.

One branch of the work of the New York Bureau of Municipal Research has been the provision of instruction for those who desire to enter public service. This branch of work has now blossomed out into the National Institute of Public Administration, and it is the receipt of the particulars of instruction for 1922-3 which is the occasion of this paper.

The National Institute is a private body; it has among its trustees such public men as Mr. Hoover, the present Secretary for Commerce of the Federal Government, Mr. Newton D. Baker, the former Secretary for War, Mr. Childs and Mr. Fosdick, two of the leading authorities on social questions in the United States. Its instructors and lecturers are men of standing familiar with practical administration.

The instruction is of a post-graduate character, and is definitely practical in character; it is tied up with practical work and, while the Institution does not guarantee to find posts, the training almost certainly leads to a job. The course is recognized by a number of universities as part of the training required by them for degrees.

The subjects of instruction, while the same in general character as would be given in similar circumstances in this country, differ much in emphasis. They are classified as follows—

Charters and Municipal Corporations; what we should regard as the legal section. There is no one general state or municipal code in the United States as in this country. States make their own constitutions, within limits, and towns or classes of towns have their charters from the State government. One prevailing agitation is for "Municipal Home Rule."

There are four groups of finance questions—

Budget and Budget Making;

Public Accounting and Financial Reporting;

Taxation and Revenues;

Public Debt Administration.

Municipal budgeting and the control of estimates and expenditure is relatively backward in the United States, and has recently been receiving much public attention.

Civil Service and Personal Administration. These matters in the United States are still almost in the stage of incubation.

Purchasing and Storing of Supplies (closely connected with finance), with special reference to centralized systems, a subject which needs more attention in this country, and is now beginning to receive it.

Engineering Administration, in which town planning (making rapid progress in the States) plays a prominent part.

Police and Fire Administration; Police administration in the States should repay study in more than one particular.

Public Health and Welfare.

Educational Administration.

The · Journal · of · Public · Administration

Minor problems, particularly statistics, graphic representation and publicity, of growing importance in the States because government there depends so much more than here on direct appeal to public opinion.

The programme provides for courses of training for about eight months, and these are followed by practical work, "apprenticeship in public administration," for from three to six months. Pupils may also be allocated to assist experts who are investigating particular problems.

These courses of training do not include professional instruction in medicine, engineering or education, but are confined, where other professional qualifications are required, to the administrative matters which come within the scope of the professions when engaged in the work of public authorities.

The United States, with their "unpreparedness" and lack of traditional methods for securing that standard of public administration which is demanded for the effective handling of modern municipal, state and federal problems, have had to embark to a greater extent than ourselves on the deliberate teaching of the higher branches of administrative work. We still depend largely, with no little success, on the empirical methods embodied in our "office" system. But the time is probably coming when we too can no longer depend on these traditional ways, excellent as they have served, but must graft on our office system definite measures for the more thorough and reasoned understanding of the problems with which we have to deal. And, while we may smile a little indulgently, perhaps a little superiorly, we may yet be grateful to the States for much pioneer work, the outcome of her own special needs.

* * *

The Nature of the American State

BY the original, unamended Federal Constitution, as first adopted, the national government concerned itself with national affairs, the State governments with the domestic relations of their citizens. Fundamental rights were protected against invasion by either government. The first ten amendments were designed to limit the federal government and protect the governments of the States. Judicial interpretation extended the powers and spheres of federal activity, and experiences of the Civil War resulted in the adoption of amendments which apparently made the federal government the censor of State legislation. Since that time the centralizing tendencies have steadily grown.—(From *State and Municipal Government in the United States*, by E. Kimball, [Ginn & Co.])

Security

BY JOHN LEE

AN American writer on economics has recently described what he calls "Hobbles." It seems that a hobble is a contrivance by which the legs of an untrained horse are fastened together and by means of these restrictions the horse is taught to walk in a conventional way. That particular way may be better or may not be better than other ways in which the horse could walk, but the point is that having got accustomed to the hobble the horse cannot walk in any other way. The American writer in question proceeds to say that for a great many of us in different capacities in this life there remains the traditions of a hobble. We have been stamped with a certain method and we cannot get outside that method.

Now all this, as it is thus stated, would seem to mean that we are too conservative and disinclined to change. It does not necessarily mean anything of the kind. In some cases our particular hobble brings with it a tradition of restlessness, of desire for change, of becoming bored with methods, not because they are not efficient, but because we have become accustomed to them. There are other hobbles akin to this, such as the hobble for machinery, the desire for more and more advancement in the mechanical appliances which come to our aid, and the temptation is often triumphant without any real thought as to the philosophy which lies behind the change. For example, it is not unfair to say that reviews and magazines to-day are edited with such a high esteem for the typewriter as brings with it too low an esteem for the pen. Editors say "all manuscripts must be typewritten." It may be that typewritten manuscript is really more difficult to read than much handwriting; on the other hand, it may be that good clear handwriting is better for every reason—certainly better for style—than typing. However, the hobble is becoming fastened upon the editors. They cannot help it. They must walk in the prescribed gait and so it comes about that everything which they see must be typewritten.

And what is our hobble in public administration? Some will say red tape—that we are tied up by it and that we cannot break ourselves loose from it. But in recent years the hobble has been a little changed. We rather delight now in conversations by telephone, in personal discussions, in dictating replies, in all manner of things which were understood in the later Victorian epoch to be the antithesis to red tape. And yet through it all a sort of hobble seems to continue. We are not the same as persons in private administrations. We have our freedom checked. Though it was not pleasant hearing we have to admit that

The · Journal · of · Public · Administration

Mr. Kellaway was right when he said that for certain particular purposes Government departments had not sufficient audacity. Yet I think the analysis of the position, trying to seek what is the fundamental hobble, so to speak, will lead us to the conclusion that the real hobble after all is security.

The odd thing is that we are envied of this security. The business man who meets us in the train tells us what happy persons we are to be so thoroughly secure. If we are to gather our opinion of business life generally from his admiration of security we should be led to the conclusion that most business men are bankrupt alternate weeks and that the remainder are finally discharged at a moment's notice. In short, security is a hobble and it is not merely a hobble which affects the civil servant but a kind of a spurious idea of that security which affects the world outside. When we come to look at the facts as they are we shall discover that a man of average intelligence, able to render reasonable service to an employer, whoever that employer may be, having certain skill and experience and energy equal, let us say, to the average reader of this journal, is not really likely even in a time of depression to find himself in so insecure a position that there is no employment whatever for him. Analysing it further the business man above referred to does not believe for a moment that insecurity is so manifest as his envy of the public services would seem to indicate. He is not personally anxious. He does not tremble night and morning lest he be dismissed. The fact is he regards himself as an exceptional person for whose services the world always has had and always will have a demand and his anxiety over insecurity really resolves itself into a suggestion, very subtly put, that the public servant with such poor ability is happy in that *his* post is secure. In fact, the discussion of security really means if we analyse it a discussion of secure semi-competence.

The worst of it is that this misunderstanding as to the central discussion leads to another misunderstanding. I will admit at once that this needs to be stated rather cautiously but I am convinced myself that public servants of all kinds, both civil servants and municipal servants and the servants of the great authorities, are one and all too modest. That is their central vice. It has so long been dinned into their ears that they have secure positions that they have come to translate it as meaning that they have a position which is more secure than their abilities warrant. I am not competent to discuss the question whether the civil servants as a rule are better or worse dressed than other members of the community, but I am sure that if they are not very well dressed it really means that they are less intent on making a spectacular appearance in the world at large and that is just the same thing as the modesty referred to above. The atmosphere of envy of this alleged security has become poisoned and it really is a kind of noxious

Security

gas from the idea of a century ago that every position under Government was a sinecure only obtained by influence, and that those who obtained these positions were very fortunate persons who need not necessarily have any ability whatever and, of course, if one needs not to have ability it is just as well not to have it or, at any rate, to make an appearance of not having it.

We are thus beginning to see that the idea of security contains rather more than appears at the first blush. I might indeed urge that one of the objects of the Institute of Public Administration is to diminish our security. At any rate, I think one of its objects is to convince the world that whether we are good or bad or indifferent there is something more about us to be discussed than the mere question of our immovability. This pyramidal quality is hardly a matter of which souls and minds should at all be proud; it bears its physical characteristic, so to speak, on its face. The secure person fills the position. That is all. He does not necessarily perform any function; anything of the spirit of adventure would be entirely incompatible with the sense of security. So if we are out to destroy the sense of security it does not necessarily mean that we are going to tinker with pensions or introduce a drastic system of dismissal or in any other way to change the relationship of servants of the State or municipality or public body which they happen to serve. But it does mean that we shall make every effort to let the world see and to let ourselves understand that there are other attributes belonging to us, or at any rate that there are other attributes to which we would aspire. So long as the world looks upon us as persons who, having initially found a hole either round or square for us peg-like to fill, with no further desire to fill it appropriately, so long will security be the one characteristic upon which attention is fixed and so long, on the other hand, will the idea of the lack of security elsewhere be grossly exaggerated. It may be that in this process the world outside us will learn that it is rather more secure in its positions than in discussion it has pretended to be and that by these means at long length the commercial world will discover that there is a science of administration which points to kinship between public and private practice. We are thus offering on the altar of ultimate efficiency a proud sacrifice of our alleged monopoly of security. Before the offering is finally made it is possible that tender hands may be laid upon us and that we may be restrained even at the last moment. For it may then be discovered that it was not a monopoly at all.

It is a curious fact that in that wonderfully organized industry the Ford Motor Works, one of the outstanding features is the establishment of security on a level far more firm than any which has been attempted in the public service. Once a man becomes employed at the Ford Motor Works it requires almost a cataclysm to discharge him. Even if his

The · Journal · of · Public · Administration

post is abolished he goes on. The education committee, which is largely responsible for welfare, must agree with the administration, and prolonged discussion takes place and prolonged reports are made before an individual can be dismissed from the service. Oddly enough, this is held up by the writers on industrial administration as a model. They have discovered that the extreme mobility of labour is not a desirable characteristic. In short, that which is held up as a vice in the public administration in England has come to be regarded as an ideal painfully and tortuously to be achieved in American industry. Our critics do not know of this later development. They would hardly understand, without a lot of painstaking persuasion, that security can mean efficiency, and the reason is because, I think, they attach to the connotation of the word security a kind of sub-conscious suggestion of incompetence. They have discoloured the idea of security. Whilst they sneer in a more or less elegant fashion at those who are in secure positions the whole world outside them is striving to find in this or in that way some method of making employment more secure. We may leave it at that. Security may have its disadvantages, but if it is cleansed of any conception of concomitant incompetence it is a worthy ideal rather than a stigma.

This is not the only feature of the imitation of public services by private enterprise. The discussion of the question of Unemployment Insurance by industries rather than by the State reveals a similar tendency towards a desire for security, and Sir Lynden Macassey has done good work in emphasizing this tendency. It is all for good that the sneers at "security" should pass into aspirations towards security. The public services may become the model employers in a sense which was never expected, and the philosopher who has wondered sometimes how it is that the group-mind is less morally sensitive than the individual mind may find reasons for doubting his theory. At least it is becoming certain that men and women are not likely to give less than their best merely because of fear. There are other and worthier motives. At last, perhaps these worthier motives are coming to be recognized.



The Aims of the Institute of Public Administration

By H. G. CORNER

FULLY to appreciate the aims of the Institute of Public Administration it is necessary to know something of its origin, and the manner of its birth and development.

Three lines of thought or chains of circumstance seem to have converged and united in the idea. There was first the awakening consciousness of the civil servant to the fact that he was the member of a profession which held a place of great and increasing importance in the scheme of national life, while he could not be quite sure that it was recognized as a profession at all. Indeed, he could not fail to ask himself where were the repositories of its traditions (which he knew to exist in considerable richness), the keepers of its professional conscience, the students of its history, the exponents of its technique. Then there came the sudden shock to his self-esteem from the outburst of more or less malicious and ill-informed criticism with which the British taxpayer, looking around in these hard days for a scapegoat, relieved his pent-up feelings when he realized what the war was going to cost him—an attack which, strangely enough, coincided with a period in which it had seemed to the civil servant that he had justified his existence in the eyes of all men. And thirdly, there was in the atmosphere of the times a new conception of the essential oneness of the local and the national administration—this again being nourished by the novel conditions brought about by the war problems of administration—in which could be detected the beginnings of a wider outlook in Local Government officials and civil servants alike, and the need for a common name to express their common function as public servants.

These ideas, which had perhaps floated vaguely in the minds of men for some time past, began to gather force and take shape towards the end of the war period, and they acquired definite expression with the establishment of the Society of Civil Servants on 6th March, 1918. This society placed the foundation of an Institute of civil servants amongst its original "immediate aims," but quickly realized that any institution of this sort must embrace its colleagues of the Local Government services. By this time the Civil and Municipal services were organized from top to bottom, in obedience to the ineluctable necessities of the times, in various associations with a trade union basis. Now the existence of these associations was an invaluable factor in the promotion of the great scheme, for it is a characteristic of the civil service associations and of

The · Journal · of · Public · Administration

the great combination known as the National Association of Local Government Officials that, while they have been formed primarily to safeguard the material interests of their members and effect improvements in the conditions under which they perform their duties, they are none the less actuated by a sense of the dignity of their calling, keenness for the efficiency of the service in which they are engaged and a professional interest in competent administration. When, therefore, the Society of Civil Servants had in March, 1921, drawn up its memorandum on the Institute, which, they decided, must take the name of the Institute of Public Administration, they asked the principal associations to assist in its foundation and the invitation was responded to with enthusiasm.

A conference of these associations was therefore called which met on 26th July, 1921, and having adopted the memorandum as a basis of discussion, resolved itself into two committees, one to consider and report upon the educational programme of the proposed Institute, the other to discuss and formulate its other aims and objects, including, incidentally, the draft of a constitution. Both committees were ready with their reports by the beginning of 1922, and the conference adopted them with some slight amendments at its second meeting on 15th February, 1922.

Perhaps the most vital and certainly most debated question was that of the qualification for membership, but before discussing this point it may be well to recapitulate the aims of the Institute as they emerged from the discussions of the two committees and were embodied in the constitution then drawn up. They were—

(a) The development of the Civil Service and other Public Services (both National and Local) as a recognized profession.

(b) Promotion of the study of Public Administration.

In pursuance of these objects the purpose of the Institute is—

(1) To maintain the high ideals and traditions of the Public Service and promote the professional interests of Public Servants.

(2) To promote the study of (a) the vocational or professional practice of Public Administration; (b) the machinery necessary for the efficient day-by-day practice of Public Administration; and (c) the principles of historical, economic and political science with special reference to Public Administration and constitutional law and practice.

(3) To facilitate the exchange of information and thought on administrative and related questions with a view to the increased efficiency of the Public Services, and to the creation of a well-informed public opinion concerning those services, to provide opportunities for the acquisition and dissemination of useful information concerning the Public Services of this and other countries, and to develop the technique of administration.

(4) To give expression to the considered view of the Public Services on questions of public duty and professional etiquette.

(5) To promote good relations between the different branches of the Public Service, and to encourage interest in their profession, and to this end to establish Central Headquarters with suitable Committee Rooms, Library and other amenities for study and social intercourse.

(6) To keep the members and the public constantly informed by means of lectures and publications as to the functions, aims and utility of the Public Services.

(7) To publish a periodical Journal.

Aims of the Institute of Public Administration

Time and experience may add to this list ; it can scarcely be subtracted from or reduced. In any case it stands as a good working basis for an association with the highest ideals of service, and it remained to provide a fitting membership of such an association. In the long and profitable discussions that ensued upon the basis of membership it soon became evident that " interest " in the aims of the Institute must be the first test, the second the possession of " value " for the purposes of the Institute. It was finally decided after the expenditure of considerable thought and argument that any member of the public services who felt sufficient interest in the objects of the Institute and was prepared to do his (or her) best to further those objects might become an Associate. When, further, he (or she) could bring proof of abilities or experience of value to the Institute and its aims this would constitute a claim to membership. It must be borne in mind that the committee had to consider on the one hand the future prestige of the Institute, while on the other, building for the immediate present upon a broad and solid foundation. It therefore declared the qualification for membership should consist in satisfying the council that he has either—

(1) Performed for at least three years responsible work of an administrative or executive character in the Public Services ; or

(2) Performed work of special value in connection with the practice or study of Public Administration or has contributed to the development of Public Administration ; or

(3) A member of the legal, medical or other profession, and has been employed for a period of at least three years on work of an administrative or executive character in the Public Services ; or

(4) An Associate of the Institute who has satisfied such examination or other tests as may from time to time be prescribed by the Council.

It is made clear in the constitution that, throughout, " words in the masculine gender imply also the feminine " so that these qualifications apply equally to women. Indeed, the co-operation of women is not only welcomed, it is very earnestly desired.

The qualifications for membership and associateship being thus based on firm and definite principles, unanimously approved, may in detail be considered to be more or less tentative. Provision is made for the amendment of the rules at the Annual General Meeting, the first of which will take place next April.

When the best possible form of constitution has been evolved it is intended that application shall be made for a Royal Charter.

The government of the Institute is placed in the hands of the members and associates, the members electing twenty members of the council, the associates ten, while the thirty members thus elected are to select a further ten from amongst persons who have contributed work of value to the study or practice of administration, thereby enlisting in the service of the Institute such men or women whose work, as is so often the case, may not be sufficiently known to the public to ensure their election by

The · Journal · of · Public · Administration

the great body of members and associates. It is to be noted that these co-opted members must in any case be associates, members or fellows of the Institute. It should be added that the Fellowship will, it is hoped, be a real distinction bestowed by the council upon members of the Institute who have performed work of conspicuous merit in connection with public administration.

A special resolution of the conference arranged for the provisional government of the Institute by calling upon the great staff associations to nominate members of an Interim Council to the number of thirty. The associations thus represented were the Association of First Division Civil Servants, the Association of H.M. Inspectors of Taxes, the Civil Service Confederation, the Civil Service Legal Society, the Federation of Post Office Supervising Officers, the Federation of Women Civil Servants, the Institute of Professional Civil Servants, the London County Council Staff Association, the National Association of Local Government Officers, the Post Office Engineering Federation and Union, the Society of Civil Servants, and the Union of Post Office Workers. These thirty invited the co-operation of certain persons eminent in administrative work or study, and the invitations were accepted by Sir William Beveridge, Mr. G. H. Stuart Bunning, Sir Robert Fox, Mr. Harold J. Laski, Sir Stanley Leathes, Mr. John Lee, and Sir Josiah Stamp. Lord Haldane consented to be the first President, Sir James Bird Vice-President, and Sir Henry Bunbury the Honorary Treasurer.

This Interim Council met for the first time on 27th July, 1922, and immediately appointed committees to explore and report on the manifold aspects of the work that lay before the Institute; the committees thus formed being *Membership* (to examine and decide upon applications), *Finance*, *Programme*, *Publicity*, *Journal*, and *General Purposes*. Later two others were added, *Provincial Organization* and a *Rules Committee*.

Such is the machinery set up to conduct this enterprise to the great goal which has been set up. Let us now examine a little more closely those aims which have been indicated.

In the last few years the scope of public administration has been extended to a most remarkable degree. The process had been going on for some time before the war, ever since the great enfranchisements of the later Victorian days, but the necessities of the war period enormously accelerated it. This meant not only a great demand for administrators, but an awakening interest in the public mind in a subject of the ramifications of which it had had little conception. Mr. Moreland, in the *Quarterly Review* (April, 1921) puts the matter thus—

Until the last few years the chief triumphs of British administrators have been won in distant countries and have passed almost unnoticed in the West. At home Englishmen have been familiar with the Post Office, the tax collector, and perhaps an occasional inspector, but as individuals they have been very little concerned with the working of the Central Government. The position is now materially

Aims of the Institute of Public Administration

changed. For the civil administration the war meant the inception of new tasks at an unprecedented rate. The public witnessed remarkable successes, spectacular failures, and the gallant retrieval of initial blunders, while the control of the food supply and constant interference with many aspects of social life brought the existence of the administration home to every individual . . . The permanence of this change is still doubtful ; but whatever may be the fact of particular enterprises, it is improbable that the central administration will ever sink to its former dimensions.

Such is the position which the Institute has to face, it was amidst these events that it had its birth. So obviously had the work required outgrown the now antiquated machinery designed to meet the requirements of an age of stereotyped administration that a committee was appointed " to enquire into the responsibilities of the various departments of the Central Executive Government and to advise in what manner the exercise and distribution by the Government of its functions should be improved." This committee, known by the significant title of the Machinery of Government Committee, presented a most valuable and authoritative report in 1918.

In a very early section of this masterly report it is sententiously observed that " in the sphere of civil government the duty of investigation and thought as preliminary to action might with great advantage be more definitely recognized." Behind the slightly ironic tone of this pronouncement lies the important truth that administration is a science and as such susceptible to research, investigation and reasoning, and the further statement, which may or may not be equally true, that up to now this has not been sufficiently recognized. At any rate the committee finds that the necessity for thought to precede action is by no means a commonplace in administrative circles. We are accustomed quite cheerfully to admit (even perhaps to boast) that in all its undertakings this great nation " muddles through somehow." We have despised theory as opposed to practice, and we have had little use for men of ideas as opposed to men of action. Certainly this British equanimity has been somewhat ruffled of late years when the business man has become dimly conscious of the fact that a scientific study of business organization may produce the rare and refreshing fruits of enhanced profits. But, perhaps because there are no immediate dividends to be expected from the practice of administration, these ideas have, according to the committee, not yet fully penetrated that sphere.

The reproach in any case is not confined to the British Civil Service, which perhaps deserves it less than that of other countries. It has thrown up an unmatched succession of capable and, indeed, brilliant administrators, but the output of such men is in no way proportional to the quality of the human material it has to work upon, nor the splendid possibilities it offers. The need for some means of fitting this material to its opportunities has become obvious to the more thoughtful among

The · Journal · of · Public · Administration

civil servants, and this is the ultimate task to which the Institute addresses itself.

In approaching this task the committee charged with reporting on educational aims commences quite properly at the bottom, and in discussing the scheme of study which should be pursued under the heading of "the vocational or professional practice of public administration," it dispenses with vague generalities and gives definite examples of some of the matters, ripe for investigation, coming within its contemplated scope. They are: (a) the faculty of summarizing data either in the form of *précis* or otherwise; (b) the consideration of decisions in relation to their general application; (c) the delimitation and the deputing of responsibilities; (d) the scope of supervision; (e) the principle of scales as applied to salaries and wages; (f) the qualifications, whether expert or broadly administrative, for higher control; (g) the sphere of executive as distinguished from administrative operations.

The list can be almost indefinitely extended, but the items mentioned may serve as illustrations of the multitudinous problems which have to be attacked in any serious attempt to perfect the machinery of administration. But the committee goes further, and in addition to a purely vocational training it suggests university courses in the "principles of economic, political and historical science, with special reference to public administration and constitutional law and practice" in which encouragement should be given to the preparation of original contributions. It emphasizes the strictly university character of this department and roundly announces that its object is to secure that "the science of public administration shall be such a section of university training as to ensure that its study shall in itself be a liberal education and not merely vocational training."

Space will not permit of further enlargement upon these possibilities. They stand as an inspiration for the new Institute which at present has all its work cut out with the types of problems already alluded to. It may, indeed, advance to the attack of other and wider questions, that is to say, of the principles underlying all administration in democratic countries. Amongst such questions may be mentioned the two opposing ideas of centralization and devolution, one of the most pressing problems of administration; the proper limits, if any, of Treasury control; the relations between the ministries, and the fitting allocation of functions to the various ministries (see the Haldane Report *passim*); the rules upon which a system of promotion should be based; the theory of discipline.

These are examples gathered from the imperfectly explored regions of administrative practice. They are, some of them, treated as political questions, but it will be a great advantage to remove them from the sphere of politics and allow them to be discussed in the more tranquil

Aims of the Institute of Public Administration

atmosphere of scientific investigation. For it must be a fundamental axiom of the Institute that it cannot concern itself with political questions. The nation must decide for itself whether it prefers protection to free trade, or individual enterprise to nationalization of industries. But in making up its mind it ought to be able to refer to the material which will have been collected by the Institute and to seek its advice upon the administrative issues involved.

It has been wisely observed that the aim of all government is to promote the means of "good life." If this is so, what vistas of possibilities does it open up for that science existing, as it does, solely for the purpose of facilitating and perfecting government! May it not be claimed and should we not be right in claiming it as the first of all sciences? We may, indeed, think of it, in conjunction perhaps with its cognate studies of sociology, jurisprudence, psychology, and economics, as constituting a new humanism. In these days when the study of the old humanities is palpably dropping behind in the race with the exact sciences it may be well to bring forward the claims of a learning which, in its broadening effect upon the human mind and stimulation of the mental faculties, may supply the place left vacant through the shrinkage in relative importance of the study of the classics.

In the report of the committee already alluded to and in innumerable other reports lies buried and forgotten a wealth of information and wisdom bearing upon the above-mentioned questions and many kindred subjects. It is not the least of the aims of the Institute that this should be rescued from the oblivion in which it now rests and make it available for profitable use. The service itself is a reservoir of intelligence and competence, and inspired with an eager craving for efficiency. To bring study and research to bear upon this material and evolve an efficient human machine worthy of the task of administering the empire will be the aim of the Institute of Public Administration. And, as Lord Haldane points out, "the higher its ideals the more penetrating will be its influence."



Report of the Programme Committee

On the Programme for 1922-1923

By A. C. STEWART

THE success of the Institute will depend, in the long run, on the value of the contribution which it can make to the study of public administration. There is nothing which is more calculated to sap enthusiasm and interest in an organization than the feeling that its efforts are futile. It was consequently with a feeling of considerable responsibility that the Programme Committee undertook the task of organizing the Institute for the performance of some of the principal functions for which it was called into being.

In making our plans, we kept in mind the objects of the Institute as laid down in the constitution, and sought to make our programme as representative of these as possible.

The subjects for study are conveniently divided into three main groups—

- (a) The vocational or professional practice of public administration;
- (b) The machinery necessary for the efficient day-by-day practice of public administration; and
- (c) The principles of historical, economic and political science with special reference to public administration and constitutional law and practice.

In connection with the above subjects, which were given to us by the constitution of the Institute, we decided to examine some of the administrative experiments of the last few years with a view to securing all the lessons possible therefrom before they were entirely forgotten or had become but a vague memory. Furthermore, it was thought desirable that wherever possible the subject should be of wide topical interest. With these considerations in mind, we proceeded to arrange our Programme. Under Group (c) we decided to have four papers, i.e.—

1. "Inaugural Address," by Viscount Haldane.
2. "Conditions of Organized Purpose," by Professor Graham Wallas.
3. "Coming Changes in Local Government," County Council point of view, which Mr. H. A. Millington, Clerk to the County Council of Northamptonshire, agreed to take.
4. "Coming Changes in Local Government," Borough Council point of view, which Mr. William E. Hart, Town Clerk of Sheffield, has agreed to read.

At this stage in our work we believe we were justified in thus giving great weight to the broad outlook on public administration, and we

Report of the Programme Committee

were fortified in this conclusion by the reflection that as the subject-matter of the two papers on "Coming Changes in Local Government" will be referred to a Royal Commission at an early date, it was appropriate that consideration should be given to the problem by the Institute during the present session.

The richness of the past few years in administrative experiments led us to decide that considerable time should be devoted to the discussion of papers of the type suggested in Group (b). Three papers were eventually decided upon as appropriate. The first one arranged was a paper by Mr. G. I. H. Lloyd on the "Development of the Administrative Organization of the Ministry of Munitions." One of the points of outstanding and permanent interest in connection with this department is that in this instance, the Government endeavoured to set up an organization that would be free from what was termed the "red tape" of the normal Government department. The problem of co-ordination of policy was, of course, the great difficulty which the department had to overcome before it could secure efficiency. Mr. Lloyd tells the story of how this problem was solved.

The second paper in this group is that which Mr. Clement Jones, C.B., has agreed to read on "The War Cabinet Secretariat." Here, again, the problem to be solved would appear to be the co-ordination of policy, but instead of the co-ordination being within a single department, it extended to the whole sphere of government activity. The decision which has been reached by the Government to modify the Cabinet Secretariat which succeeded to the functions of "The War Cabinet Secretariat," renders it peculiarly appropriate to examine the working of the earlier experiment at this time.

Mr. H. Mead Taylor has undertaken to read a paper on the "Closing of the War Accounts (Trading Departments)." The subject-matter for this paper is very closely linked to that on which a special course of lectures, under the auspices of the Institute, will be given in the Central Hall, Westminster, early in the new year on the "Principles of Financial Control." Its importance as bearing on the greatest experiment in State trading which has ever been attempted in this country warrants its inclusion in our programme at this stage.

As we decided to hold only one meeting per month during the winter, this left us with room for only one paper in Group (a). Here, again, we determined that we should not avoid difficult and possibly controversial subjects, our one criterion being the bearing of the subject on the efficiency of the public services. We accordingly invited Sir. F. L. C. Floud, K.C.B., to read a paper on "The Sphere of the Specialist in Public Administration," and this he agreed to do.

In addition to making arrangements for the meetings of the Institute, the committee have co-operated with the Society of Civil Servants in

The · Journal · of · Public · Administration

the organization of a course of public lectures on "The Business of Government," which are being given at the London School of Economics, under the auspices of the Institute.

Mention has already been made of the course of lectures which are being arranged for the Central Hall, Westminster, on "Principles of Financial Control"; it should be explained that in arranging these lectures the committee is co-operating with the Association of Executive Officers of the Civil Service.

A complete calendar of the various courses of lectures bearing on public administration which are being given in various central Government departments, and in the offices of local government authorities, is being compiled. It is hoped to issue this in a convenient form at an early date.

The advisability of appointing research committees to consider various outstanding questions has been constantly before the committee. A number of interesting subjects have already been suggested, some of which arise directly out of the papers which will be discussed at the meetings of the Institute. These include—

1. The co-ordination of policy, within a department, between departments, and between central and local authorities.
2. The sphere of the specialist and the qualifications required.
3. Methods of financial control, and
4. The training of administrative cadets.
5. The recruitment and legal status of public servants in this and other countries.

It has been deemed advisable, however, to defer the appointment of such committees until the organization of the Institute is more fully developed than it is at this very early stage.

It has always been in our mind to recommend the appointment of a committee or committees to maintain a close liaison with the universities of the country, and to co-operate with such universities in the development of the study of public administration; but this again must await the growth of the Institute and the perfecting of the organization. We realize that the successful co-ordination of the many functions which we have in mind for the Institute will not be a simple matter, and some time must be allowed for growth.

The meetings of the Institute are held in the Old Council Chamber of the London County Council, Spring Gardens, S.W.1, at which the following Papers will be read—

1922.

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| 26th October . . . | "Inaugural Address." By Viscount Haldane of Cloan, O.M. |
| 9th November . . . | "Conditions of Organized Purpose." By Professor Graham Wallas, <i>Professor of Political Science, London.</i> |
| 7th December . . . | "Development of the Administrative Organization of the Ministry of Munitions." By G. I. H. Lloyd, Esq., <i>Editor of the Official History of the Ministry of Munitions.</i> |

Report of the Programme Committee

1923.

- 11th January . . . "The Sphere of the Specialist in Public Administration." By Sir. F. L. C. Floud, K.C.B., *Permanent Secretary, Ministry of Agriculture and Fisheries.*
- 8th February . . . "The War Cabinet Secretariat." By Clement Jones, Esq., C.B., *Assistant Secretary to the War Cabinet and Secretary to the British Empire Delegation at the Peace Conference, Paris, 1919.*
- 8th March . . . "Coming Changes in Local Government (County Council Point of View)." By H. A. Millington, Esq., *Clerk to the County Council, Northamptonshire.*
- 5th April . . . "Closing the War Accounts (Trading Departments)." By H. Mead Taylor, Esq., *Assistant Secretary for Finance, Board of Trade.*
- 3rd May . . . "Coming Changes in Local Government (County Borough and Borough Council Point of View)." By William E. Hart, Esq., *Town Clerk of Sheffield.*

The series of lectures on "The Business of Government," arranged by the Society of Civil Servants, under the auspices of the Institute of Public Administration, which are being delivered in the Great Hall of the London School of Economics and Political Science, Houghton Street, Aldwych, W.C.2, are as follows—

1922.

- [2nd November . . . Sir John Pedder, K.B.E., C.B., on "Departmentalism, its Virtues and Vices." *Chairman:* Sir R. Russell Scott, K.C.B., C.S.I.
- 16th . . . Sir Sidney Olivier, K.C.M.G., C.B., on "Some Irreverent Observations on Government Accountancy and Government control. *Chairman:* Sir Henry N. Bunbury, K.C.B.
- 30th . . . Sir William H. Clark, K.C.S.I., C.M.G., on "Government and the Promotion of Trade." *Chairman:* Mr. W. L. Hichens.
- 14th December . . . Mr. S. P. Vivian, on "Statistics in Administration." *Chairman:* Sir Alfred W. Watson, K.C.B.

1923.

- 18th January . . . Miss F. Quanjer, on "The Dutch Civil Service."
- 1st February . . . Sir Richard V. N. Hopkins, K.C.B.
- 15th . . . Sir Josiah C. Stamp, K.B.E. *Chairman:* Mr. John Lee.
- 1st March . . . Sir Oswyn A. R. Murray, K.C.B., on "The Administration of a Fighting Service." *Chairman:* Sir Cecil Harcourt Smith, C.V.O., LL.D.
- 15th . . . E. A. Gowers, Esq., C.B.

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[NOTE: As far as practicable the papers will be reproduced in the Journal of Public Administration.—Ed.]

Reviews

[It will be the object of the Reviews of Books in the JOURNAL to cover the whole ground of the literature produced in the preceding quarter which may have a bearing upon public administration. By this means, it is hoped, some assistance will be given to the student and some direction to the general reader. A judgment of the value of the books will be attempted, as portion of the ordinary duty of criticism, but the particular value of the book in its relation to the advance of the science of public administration will be regarded as the paramount criterion.]

I

"BRITISH HISTORY IN THE NINETEENTH CENTURY, 1782-1901," by George Macaulay Trevelyan. (London: Longmans & Co.) 12s. 6d. net.

THIS book has been described as a history of public administration. That description is, at once, too wide and too narrow. It is too narrow if it is understood as meaning that its main purpose is the history of public administration, for it covers a much wider field. It is too wide if it means that public administration is covered by the references to administration with which the book is replete. The history of administration, public and social and industrial, has yet to be written, for the very good reason that no one knows, as yet, what is to be included under the different headings. Before the story of the development of the science, in its varied forms, can be written, the world must have rather a clearer vision of what the service includes, or, more exactly, what it excludes. But Mr. Trevelyan, while he has not written a history of administration, has certainly given the world a book which is the necessary beginning to a sound knowledge of administration. It may be said, of course, that this should entail a foundation rather earlier than 1782, and no doubt as the study proceeds it will be necessary to study mediaeval conceptions of the State and Greek visions of the Republic, among other ideas which have held sway over human minds. Gerson and Grotius, Plato and Aristotle, will need to be studied afresh. Nevertheless a good sound grasp of the British history of the nineteenth century will form the basis for the English student, especially when it is written with so wide a vision and so wholesome and human a sense of sympathy as is evident on every page of Mr. Trevelyan's book.

There is sufficient industrial and social history in the book to show the student what the complexity of civilization has involved, though it does not entrench upon the particularized social and industrial histories which have appeared in considerable numbers of late years. We can imagine the railway administrator chuckling at the thought that when this story opened there was no transit of food-stuff to London.

Reviews

"Strangest of all to the modern eye would be the droves of geese and turkeys, two or three thousand at a time, waddling slowly and loquaciously along all the roads to London for a hundred miles round." We can understand the municipal administrator being astonished to find that the characteristic unit of life was the village. "Village life embraced the chief daily concerns of the majority of Englishmen. It was the principal nursery of the national character. . . . Commerce had to be centred in the towns, but much of the manufacture that supplied it was put out to farm among the country cottages, and collected by the cloth merchants going round with their long trains of pack-horses." In all realms of administration the circumstances of a hundred years ago were amazingly different. Ours, indeed, is a modern science.

There was, of course, always the administration of foreign affairs. The story of the earlier years is not inspiring, from the point of view of administration. It was character and indomitable courage rather than skill in management which carried England through. It would take a genius to describe England's attitude to Turkey; it would take a genius at apology to explain the painful fact that "a nation leading the world in new methods of industrial organization should be unable to provide for twenty thousand soldiers half-a-dozen miles distant from her fleet in the port of Balaclava." But with all the greyness of the picture there is steady progress throughout. There must have been a thoroughly competent Civil Service behind the overt actions of the State when Mr. Trevelyan can say of 1860, in connection with the freedom of Italy, that it was "a miracle second to none that a British Foreign Minister thoroughly understood, by years of previous study and from the best sources of information, the main question with which he was called upon to deal."

A similar deduction may be made as regards the devolution of local government. The development of the municipal system is rather more than "an application of democracy to the supply of the wants of the household." It is not yet properly co-ordinated, but when it has been given the local administration of education we can see how much further its influence extends than the gas and water which another writer described in 1870 as having "taken the place in polemics of the parish pump." Municipalities, county councils, urban district councils and parish councils bit by bit took the place of older systems of administration and of the local administrative powers of the magistrate. It may be that there is a swing of the pendulum. It has been local government by the people, but there are those who are urging the American example of local government by expert managers. Mr. Trevelyan's story of the development is a wholesome check on the over-rapid acceptance of such theories. An attempt at emphasizing the value of the science of public administration must not be understood as a subtle effort to substitute

The · Journal · of · Public · Administration

professionalism for the popular will. Oddly enough, while we may have "blundered" through, it has always been with a much healthier influence on the world than England might have exercised had she been conscious of it. "The movements by which the new Britain was striving to remedy the evils attendant on the Industrial Revolution—co-operation, factory laws, trade unionism, free trade—were all, like the Industrial Revolution itself, British in origin." It would not be seemly to suggest that this is also true of public administration, but at least it can be said that whatever is yet to be learned in the many aspects of conducting public affairs, the leader in teaching can best afford to be the leader in learning.

II

"STATE AND MUNICIPAL GOVERNMENT IN THE UNITED STATES," by Everett Kimball, Ph.D. (London: Ginn and Co.)

THIS book gives a complete vision of public administration in the United States. It begins by an analysis of the political system, showing the historic and political importance of the States and the development of the Federal unit. In this, the preliminary section, it covers the organization of the electorate and includes a consideration of political campaigns and of the initiative, the referendum and recall. Then it sets out to discuss the administration of the State, the functions of the executive departments, the relation of State legislatures to administration and to finance. It gives an interesting section on the legal and judicial systems, and then it passes to discuss local administration of counties, towns and of the minor divisions.

We must pass over this preliminary though valuable study in order that we may come to grips with a vast amount of most interesting information on newer developments. Professor Kimball brings before us the fundamental democratic problem as it is revealed in a vast country which has developed by leaps and bounds. That problem consists in the correlation of Government control or administration "by the people and for the people," and yet with expert knowledge and with practical efficiency. It seems odd to us to read this summary of the "Civil Service" examinations for administrative posts under State governments—"State administrative offices are too often filled with persons who have gained their position as the result of a successful examination and who hold their positions in spite of increasing inefficiency. The systems too generally do not provide for removals or sufficiently rapid promotions on account of merit. The officials so appointed tend to regard their positions as vested rights. In spite of these criticisms, however, the Civil Service system, as applied to the States, has put an end to some of

Reviews

the greatest scandals which formerly characterized State political life." It is chastened and negative praise, but it is not without its particular value even to public servants outside the United States.

We can smile, too, at the description of the official pamphlet system as applied to elections. It began in Oregon. The pamphlet is issued by the State and every candidate is compelled to pay a small fee for the use of at least one page and is allowed to buy more space if he wishes. The political parties may buy space and may appeal on behalf of several candidates. The pamphlet includes the various bills upon which the referendum is to be taken or to which the initiative is to be applied. It is edited by a permanent public servant who will need a special gift of impartiality. In many other respects we find that administration takes its place in the conduct of elections, a much more active part, indeed, than that to which we are accustomed.

The development of the much-discussed manager system for municipalities is described with particular detail. It took its rise in the commission system. It is a clear division of administration from "the determination of municipal policy," so that prompt action with clear-cut responsibility is the aim. There are five methods. Sometimes the city-manager system is grafted on the older type of representative government. Sometimes State legislation is so wide as to enable the municipalities to adopt the manager system. A few States specially legislate for an option, with a clear indication of the possibility of the manager system. "A large number of cities, however, have adopted the city-manager plan as the result of special legislative charter granted to the individual city." In a few States legislation provides for the manager system.

It is worth while to describe it briefly, as it obtains in Dayton, Ohio. There is a commission of five citizens, elected by vote. They retire by twos or threes. The candidate who receives the highest vote at the election of three is the Mayor. Then the commission enacts ordinances, under a referendum, and it elects the city-manager. He is to be an expert, not necessarily a resident, and he is subject to popular re-call by what is generally regarded as a blemish on the scheme. He is really the sole manager of the city's affairs and he carries great weight, in what is declared to be purely an advisory capacity, with the commission. No city has returned either to the commission or to the mayor-and-council method, and with this as a judgment of a very new development we must be content. Some two hundred cities have adopted the system and the number is increasing each year.

On the vexed question of municipal trading we must hardly touch, but there is a very interesting discussion of its merits and demerits based upon American experience. Apparently there is a steady increase of public control over privately-owned public utilities. "On the whole

The · Journal · of · Public · Administration

the English boroughs, with their form of government and with the calibre of men who are willing to engage in municipal service, have been more successful in operating public utilities than have the American cities. Whatever theoretical advantages or disadvantages may be adduced for one method or another, the general tendency is strongly in favour of municipal ownership if not operation."

The book is packed with living interest. It is replete with illustrations of all sorts of administrative problems rather than actual discussions of principles, and is thus an indispensable companion to the study of the science. Here, for example, is a paragraph which is an admirable summary of the whole position—

In Great Britain administration is conducted by means of committees of the borough councils. In the burgomaster type of organization as adopted in Germany the heads of the administrative departments are usually the subordinate. In France the mayor is the repository of all the executive power, and although the adjoints are elected by the council their duties are assigned them by the mayor, who retains a nominal if not actual control over them. In England the committees of the council (which is the policy-determining body) constitute the administrative departments. The German city council determines the policy, which the administration carry out independently of the council. In France and to a certain extent in Italy the council chooses the administrators, but the mayor as executive directs and controls their policies and acts. Examples may be found in the United States of these three types of administrative departments. Yet the general tendency here is toward self-contained administrative departments which, to a large degree, are beyond the immediate control of the city council.

This paragraph shows with admirable terseness the scope of what we may call comparative public administration. Professor Kimball has gathered a vast amount of material for that study. He goes beyond Professor Munro's *The Government of American Cities* and beyond Professor Holcombe's *State Government in the United States* largely because, with minute care, he traces the development of the relationship between State and town and shows us how that problem is changing with the greater complexity of life in towns. "The State legislature and the State laws pretty conclusively determine the liberty and the activities of the citizens. The citizens are governed by the State, but are supplied with the necessities and the conveniences of modern life largely by the municipalities in which they live. State government is primarily interested in problems of policy. In recent years it is increasingly interesting itself in problems of administration and service. Still, the city is primarily the administrative organization." We quote that sentence because it probably indicates the direction in which the changes of the future will come. It may be that out of the "conspicuous failure," as Lord Bryce described it, of municipal government in the United States, sheer necessity will devise elements of new types of administration from which the world will be able to gain valuable enlightenment.

Reviews

III

"MUNICIPAL ORGANIZATION, PROCEDURE AND OFFICE MANAGEMENT," by Montagu H. Cox, LL.B. (London), *Deputy Clerk of the London County Council*, with a Preface by Sir James Bird, J.P., *Clerk of the London County Council*. (London : Sir Isaac Pitman & Sons.) 5s. net.

It is curious that amongst all the books and papers which have been written about democratic government, comparatively little attention has been given to the administrative organization by which such governments operate. Yet, on the efficiency of this organization, probably more than on anything else, depends the success and future of any form of government. Efficient organization for this, as for most other purposes, depends on three main considerations: (1) the appropriate training of staff; (2) the division or grouping of work so as to avoid overlapping and friction and to secure the greatest advantages from co-operation; and (3) effective control and guidance of the operations of the whole organization.

During the last seventy years or so more public attention and criticism has been drawn to the question of the appropriate training of staff than to either of the other aspects, and a vast system of examinations and other tests have been established which secures, in the majority of cases, that candidates have had the required training before entering on any executive or administrative work for a local authority or central Government department. In many cases there is also a fairly long and deliberate course of training after the candidate has taken up such employment; this, however, is by no means so universal as the examination test of fitness before commencing service. The kind of training of which these examinations are a test varies according to the kind of work on which the successful candidates will be employed. In some cases the training is perfectly general and designed to secure breadth of vision and acuteness of intellect; in others, it is highly specialized and has a very direct bearing on the work of the officer.

The London County Council are to be congratulated on having made and applied one new suggestion as to the appropriate training of administrators. In the regulations for their second-class assistant examinations they secure that the candidate knows something about public administration. The two subjects prescribed with this in view are "Municipal Organization and Office Management" and "Parliamentary Practice and General Procedure." This regulation was so novel that, until Mr. Cox stepped into the breach and supplied this book there was no source to which the student could go for the information which was required.

A considerable proportion of Mr. Cox's book is devoted to the elucidation of the principles underlying the organization of the work of the L.C.C. Some of these principles are related to the requirements of law,

The · Journal · of · Public · Administration

and others to the demands of efficiency. One is interested to note that there is occasionally friction between these two sets of principles. Most of what is said on this subject is good and to the point, but here and there the author has clearly felt himself limited by considerations of space and the supposed needs of the examination student. This has led him to dogmatize regarding some matters on which knowledge is as yet incomplete or is not resolved into its final or abiding form. In justice to the author and fairness to the reader, this is not characteristic of the book as a whole, though it is fair criticism of certain passages, and particularly those in the first chapter dealing with the fundamental principles of organization.

The general reader will find those sections of the book which deal with the organization and powers of L.C.C. committees most interesting. Here we are faced with the old question: "How many heads are better than one?" Doubtless the answer depends on the nature of the work to be done, but a considerable experience has got to be surveyed before any conclusions, except the very broadest, can be drawn. The Central Government has always acted on the theory that "one head is best" and, consequently, the final authority in any department of State is the Minister. Democratic control is obtained by making the Minister responsible to the Cabinet and through the Cabinet to Parliament. Committees are sometimes employed in an advisory or consultative capacity, or for the conduct of some specific investigation, but never in control of a department. On the other hand, the L.C.C. in its early days could not bring itself to delegate responsibility and power outside a full meeting of the Council. It proved at last that a hundred heads were not effective for all the purposes of administration. Here is a summary of the situation reached, and the remedy adopted as set out by Mr. Cox—

At the outset there was a tendency to limit somewhat strictly the degree of responsibility allowed to standing committees, with the result that an undue proportion of the council's time became absorbed by relatively small details of current administration to the prejudice of due consideration of important matters and large questions of policy

Under the new scheme of procedure, which came into operation on 1st October, 1914, decision in regard to all those matters of which the standing committees formerly only had a power of consideration was absolutely delegated to the committee, subject to (certain) limitations.

The powers granted to these committees, as shown by Standing Orders and Orders of Reference, are generally less, though, being written, more definite, than those exercised by a Minister of State in the control of his department. At this point Mr. Cox's evidence closes; he does not offer any criticism or suggestion. The reader, however, realizing that public officials in important positions must show greater restraint and sense of responsibility than is expected even from Cabinet Ministers in the writing of books, will not complain of this proper reticence.

Reviews

To judge of its efficiency, however, more knowledge is necessary regarding this committee experiment of the L.C.C. For instance, it would be useful to know if committees readily vary their methods to suit the varied nature of their work; are they businesslike in dealing with business questions, lawyer-like in dealing with legal questions, and philosophic and scientific in dealing with questions of public policy? Are committees responsive to changed conditions and new inventions, or is their inclination towards undue conservatism and routine? Are their instructions and directions generally clear and consistent? At what point do they delegate power and responsibility to the official who has to carry out the work? The answers to these questions will not be easy to find, but the search must be prosecuted. Efficient organization of control must surely rank as equal in importance to efficient qualification of staff. Meantime those who are interested in the problems of an efficient democracy should read Mr. Cox's book.

IV

"SOCIALIZATION IN THEORY AND PRACTICE," by Heinrich Stroebe. (London: P. S. King & Son.) 10s. 6d. net.

THIS remarkable book is by the Minister of Finance in the Prussian Revolutionary Government in 1918. It is a closely analytic study of the developments in Russia, Hungary and Germany, and it shows in what way the varied developments of the public administration of industry have evolved. It is severely critical, and from the socialistic point of view, but in the process of that criticism it opens up many considerations of public administration generally. It is not too much to say that the most interesting and valuable of the studies is that of the developments in Germany. After the Revolution two conferences pronounced in favour of socialization, but that drastic course was not attempted, and for two reasons. In the first place there was a suspicion that it was an unfavourable time for socialistic experiments; in the second place there was an apprehension lest the ordinary conception of a Government department—even in Germany—would not provide that initiative which is necessary for the development of industry. So it came about that the system of economic councils and works councils was adopted and Herr Stroebe trounces it severely as being a conspiracy of capitalists and workers against the consumer. With this central argument we have no concern, but with the severe criticisms of public administration we have serious concern. It is evident that Herr Stroebe himself has a weakness for the Horten Scheme, which attempts to combine the virtues of capitalistic enterprise with State management. Horten proposed to "socialize" only a percentage of the existing productive works, coal and iron in particular. "The State should

The · Journal · of · Public · Administration

place the expropriated works under the control of a joint-stock company to be formed against the surrender of the shares. The State would thus be the sole owner of all the shares of the company, but its management would be remitted to the company's authority."

The economist must deal with the practicability of such a scheme. The present German organization, complete as it is, leaves private ownership controlled but still entrenched. What is of moment is that there is a distrust of direct public management. Again and again Herr Stroebel assaults "bureaucracy." He shows that it had no friend. He asserts that socialization—which he deems to be desirable—is impossible in Germany so long as there is centralized departmentalism. He goes out of his way to show that in England there is a greater closeness of public control of public administration, largely due to the fact that "the people have administered their own affairs in the churches, the districts, and the counties." Apparently we come here very close to a recognition of the fundamental distinction. The public administrator is to carry out a policy which is to be decided by the community at large, but the public must keep in close touch with the day-by-day administration. In this executive sense public administration is to function. It has no concern with the questions which will arise as to the extent to which the State should concern itself with industry. Rather it is concerned to make itself efficient for whatever office the State may undertake. Read in this light the book is salutary reading. In the home of officialdom it is true that officialdom obtained precious little respect. "Not one of the advocates of the immediate expropriation of the capital invested in the mines disputed the necessity of avoiding every appearance of bureaucracy . . . and of stimulating in every way the creative activity of the personnel, and its exertion in the interests of the community." It may be that it was due to misunderstanding or to prejudice. It may be that in order to check the advance of socialism it is worth while to be undervalued. But we cannot but think that there is another lesson to be learned. Altogether apart from the socialistic controversy there is a place for public administration. Life in community demands some action on the part of the community and for behoof of the community. It is not satisfactory that in all Western nations it should be taken for granted that community-action is of necessity inefficient because the human agents of community-action are themselves inefficient.

V

"THE PARTITION AND COLONIZATION OF AFRICA," by Sir Charles Lucas, K.C.B., K.C.M.G. (Oxford: at the Clarendon Press, 12s. 6d. net.)

THEY were fortunate groups of teachers of the London County Council who heard this admirable course of lectures. Public servants may well envy them, for there are indications in plenty throughout the lectures

Reviews

that if Sir Charles Lucas had directed his thought to the administration of colonies and of dependencies they would have been given an attractive summary of the most important aspect of the responsible work of government as it falls to Western nations to-day. The book covers the whole of known history as regards a continent which is apparently given to the care of Western civilization. It takes us through the days of the Mediterranean world; it shows us new light on the earlier and later slave trader; it deals with missionaries and explorers and the economic results of their endeavours; it reveals all manner of new judgments on administrative work, from native labour to organized settlement; it tells us of the scrambles for Africa, the sad tragedies which have marked those scrambles and it ends with a balanced study of loss and gain from the banishment of the German authority. Throughout this fascinating story we see new glimpses of administration. The Romans appear with their genius for administration "by the most modern and enlightened" methods—the road-making, the use of waterways, the policing of the sea, the building of bridges and engineering works. Under the consideration of slavery we have a remarkable comparison of English and French methods, the strangely complex issue between government from a distance and the ready grant of self-government. We read of the romance of Liberia, with their "high-sounding declaration of independence on the lines of the American Declaration of Independence" and the odd evolution through international control by a group of States to the "sole charge and obligation" of the United States. "Liberia has been an object lesson in the advantages of self-determination for the negro race as contrasted with tutelage by the white man." Then there is the study of chartered companies and the issues which arose in South Africa, and he who cares to study the comparison which is drawn between the difficulties in the North, where "the Oriental character of North Africa mainly decided the lines which European intervention has followed," and the equally complex difficulties in the South will have food for long reflection. The book does not purport to explain the details of administration but it reveals the problems which administration has to meet. The Mandate System of the League of Nations, "provided that it is not allowed to become merely a form of words," makes these problems more urgently cry out for a solution, for it means "the cause of humanity gained by the common agreement, publicly professed, that certain things ought to be done, or ought to be prevented, as being consistent or inconsistent with the standard of civilized peoples."

The · Journal · of · Public · Administration

VI

"THE DEVELOPMENT OF THE CIVIL SERVICE," Lectures delivered before the Society of Civil Servants. With Preface by Viscount Haldane of Cloan, O.M. (King, 7s. 6d. net.)

BEYOND the fact that they begin with an account of the Civil Services of ancient Egypt, Greece and Rome, and close with a discourse upon the civil servant of the future, thus covering a space of time sufficient to permit of the most far-reaching developments, there is at first sight little to justify the title given to this collection of lectures. They wander in and out of the regions of State-controlled industries, touch lightly upon problems of international administration, muse upon routine in the Service, make a sudden dash over to France, bringing back the results of a hasty enquiry into the French system of administration, deal weightily with telephones and audaciously with foreign policy. They discuss the position of women in the Civil Service and the relation of the Civil Service to Parliament. Thus we have a survey of selected aspects of administration ranging from 4000 B.C. to A.D. 2000.

But a closer perusal of these papers, varied as they are in character and subject, reveals a very clear thread of continuity running through them all. It is the transition—the transition now in progress from stereotyped formulae—to imaginative conceptions of public duty and public service, from the celebrated Civil Service inertia to a real thirst for enquiry. The civil servant is becoming "curious." There is a high seriousness in the treatment of these themes which is a portent of the new vitalized service seeking its ideals along the routine lines of the administrative machine.

The keynote is struck by Lord Haldane in his preface: "The organization (of the Civil Service) is tending to develop and to develop in a way which points to the control being from the highest standpoint downward. It is in truth a procedure from what is concrete to what is more abstract. The spiritual phase tends to dominate that which is apt to be mechanical. The triumph of mind over matter, when it is to be witnessed, always brings about greater fullness of result and in the end greater efficiency."

Some idea has been given of the quality of the thought which inspires the various papers. It is impossible to examine each in detail. As might have been expected, contradictory conclusions are arrived at by some of the writers. Thus Mr. Laski is for dragging the civil servant into the light of day and giving him the credit which is now monopolized by his Parliamentary chief. He wants him to sign his own reports and to sit at the elbow of his chiefs in Committees of the House. Sir William Beveridge, on the other hand, is all for keeping him in the background. The civil servant, like the members of monastic orders, should take three vows, poverty and obedience being the first two and for the third

Reviews

monastic vow substituting the less exacting inhibition of anonymity. Again, after Sir Herbert Morgan and Sir Lawrence Weaver have demonstrated that the State management of industry must be fatal to progress, comes a closely packed article by Sir Andrew Ogilvie who with facts and figures exhibits the State-owned telephones as a genuine business success. These opposing views are at once a stimulus to thought and an indication of the wide problems awaiting solution.

But, after all, routine is the ground swell or the figured base on which is built up the stately harmonic structure of administrative systems, and its uses and graces find an admirable exponent in Miss Murby. "So far from routine hampering response, it actually in the long run facilitates it," is a valuable reminder. Miss Murby in fact grows quite lyrical when suggesting an analogy with the rhythm of the universe and the unchanging courses of the stars. The play of fancy and the touch of humour lighten many of the papers. Here is a story told by Sir William Beveridge which, to the civil servant, will be "priceless." It relates a regrettable incident when an official, supplying an answer to a Parliamentary question, appended to it a note for the guidance of the Minister, and the Minister unfortunately read out both the answer and the note. It was something as follows—

The answer to the first part of the question is in the negative ; the remaining parts therefore do not arise. This member is being very tiresome ; to give him any information only whets his appetite for more.



THE FORUM

[The object of this section of the JOURNAL OF PUBLIC ADMINISTRATION is to provide an opportunity for frank discussion. Articles should not exceed 500 words and should be devoted to subjects of immediate interest to the Institute. They may or may not be signed, but must be written by an accepted Member or Associate of the Institute, and the name and address of the sender must be supplied.]

I WOULD recommend to the Council the institution of a system of Life Honorary Membership as a special recognition of contributions in research to the history or the efficiency of public administration. It is probable that we shall wait a long time before we elect anyone to the high honour of Fellowship and, indeed, it would not be altogether satisfactory to elect members to Fellowships for particular contributions. It would be an encouragement to the main body of public servants if there were some honour—apart from promotion—for either study or suggestions for organization or contributions towards improved administrative machinery, and it would be especially valuable if such a recognition were to be conferred upon a few of the thousands who are not directly eligible for membership. If such a device were recognized there would be less need for immediately nominating members to the Fellowships, and at the same time it would be a practical evidence of the intentions of the Institute to recognize merit in classes of the Service which, at present, are not regarded as administrative.

F. J. G.

I am one of a number of lonely public servants who are looking forward to the Journal to be a link between us and the wider world of administration. It falls to my lot to do duty in a far territory, where there is snow and ice nearly all the year round. My function is to safeguard the State against certain offences of which novelists have written so glowingly that few people in, say, London would regard them as offences at all, and would view them rather as romantic interludes. I have a staff which is scattered over 400 square miles of territory. I want to know all that can be known about periodical and significant reports, statistics, methods of encouraging initiative and of making up for the obvious absence of cohesion. I write to remind you that such administrators are in existence, for I am sure that once you remember us you will do something to help us.

"HUDSON."

The Forum

One has joined the Institute out of a general sense of loyalty to one's Service Trade Union. One has paid the subscription and attended some of its meetings. One has discussed it with colleagues, thought over its proposals and canvassed its possibilities. The conclusion of the whole matter is that it is not good enough. It does not offer an adequate return for the subscription, and what is more important, it is not worth the effort that will be necessary to make it a success. This is no reflection on those who are founding and managing it; they are heroically making the very best of a bad job. The Institute must fail because of the nature of the Services for which it is designed. The truth is the Public Service is not one service but many. It includes not members of one profession but of a great variety of professions and occupations. It has many functions. In short, there is in it no such basic unity as is necessary if a professional Institute is to be maintained.

It is absurd to attempt to found an Institute of Public Administration as it would be to found an Institute of Public Health for which doctors and surgeons, dentists, nurses, chemists, chemists' assistants, dispensers, hospital maids, doctors, chauffeurs, dental mechanics, artificial limb makers, and the hall porters at the hospitals were all eligible for membership.

Such an Institute can perform none of the vital functions of an Institute. It cannot control the entry to the profession, it cannot even suggest any common tests of entry; the only common test is the mere ability to read and write. After all, the function that gives an Institute cohesion and renders it valuable to its members, is that of restricting entry and thus of giving those who are members an advantage over those who, not being members, are prohibited from practising the profession.

It cannot set any common distinctive professional standard, for there can be no common standard among functionaries who may spend their lives delivering letters or investigating old age pension claims, or making actuarial calculations, or administering a large and complicated department. A common standard of decent conduct there may be, but it is common to the whole community, and has nothing specially to do with the Public Service.

It cannot even as an Institute promote the discussion of administrative problems, for those would surely be better dealt with by a society of administrative officials rather than by a heterogeneous association of the employees of various public bodies; in fact, any discussions that may take place and any investigations that may be undertaken will be the work of a group of administrative officials who will only be hampered by their association with the rest of the members.

Thus it cannot offer any advantages which would warrant the payment of an adequate subscription. In the absence of such a subscription it is clearly impossible for it to acquire premises and to act as a club—

The · Journal · of · Public · Administration

indeed the very notion of a club based upon so flimsy an association as employment by a public authority is absurd. Any club requires members whose standard of life and standard of manners are at least approximate and where is the approximation among those who are employed in the Public Services?

In short all that the Institute can offer is the privilege of attending a certain number of lectures, very similar to other lectures which can be had free, of reading a Journal, which could be produced just as easily without it, and perhaps in due course, of writing certain valueless letters after one's name. It is impossible to persuade oneself that it is worth while.

AN ENQUIRING MEMBER.

I hope that the *Journal* will include a summary of Blue Books and similar publications, British, Colonial and Foreign. It should not be a mere list but a sort of abstract of the contents so that the general reader may be able to gather an intelligent idea of the material which is available. I am sure that such a feature would be most attractive, and that it would be of value to His Majesty's Stationery Office in making Government publications more widely known. There are many municipal publications which are worthy of inclusion in the summary.

A STUDENT.



The Treasure House

The Treasure House

I have spoken with practical men of affairs, who have occupied responsible positions for many years, and who state that they are prepared to introduce a whole series of their people to be managers of national undertakings, but always upon two conditions, that their interest shall be aroused and that they shall not be fettered by red tape.—“*Baltrusch*,” quoted by *Heinrich Stroebel*.

* * *

Hitherto, State management of industries has on balance failed to prove itself free from serious shortcomings, but these shortcomings are largely due to the neglect of the State to train those who are to be called on for knowledge and ability in management. The experience of the last few years has, however, shown that it is not really difficult for the British nation to provide a class of administrative officers who combine the strongest sense of public duty with the greatest energy and capacity for initiative.—*Mr. Justice Sankey*.

* * *

What the public do not understand or consider is the incentive which moves and energizes the man of private business, which makes him take risks—with his own money and sometimes that of others in his keeping—which fills him with anxiety, leads him into doubtful transactions and leaves him no spare time for any but the material enjoyments of life. The incentive is the hope of gain; ever more and more. Take away this incentive, and much of the energy and enthusiasm will evaporate like steam in the air. To the business man of to-day there is not the same interest in work, *qua work*, that there was fifty or a hundred years ago; the interest is centred in how much the work will produce in the vista of a magnificent income and a large estate. On the other hand, the civil servant has no other interest but the work itself, except promotion once or twice in a lifetime, if he prove himself able.

Be it observed, however, that in associating the business man with private profit I am thinking only of the owner of a business. Fundamentally the position of a servant of a railway company or a bank is precisely similar to that of a servant of the Post Office. There is no more business training to be had in any one of them than in any other, except of a specialized order, and, as a rule, the officers and staff in each are acquainted with no other sphere of work but their own. The work of the majority is to keep books and to write letters, the ordinary routine work of an office, in which by practice and experience, and by that alone as in every other occupation, their services become valuable. For the minor number, those who have proved their special fitness, there are other responsibilities, the organizing, the administration, the vigilant eye, the general discipline, the summing-up of results, the warding off of danger or disaster; a host of cares and difficulties, of which the outer world has no conception. Each concern I have mentioned has, of course, in addition its peculiar technicalities; the railway company its time-tables and the public safety, the bank its scales and scoop, and the Post Office its letter-sorting and telephone exchanges. You may call all this “service” or “public utility,” what you will; but if it is not “business” and business of a very high order, there is no meaning in the term.

Howbeit, there is always a danger of flagging enterprise and stunted development in the absence of competition. Strangely enough, notwithstanding the constant attacks that have been made upon the telephone service from its inception, it is far in advance of some other aids—of greater antiquity—to the public welfare and comfort. I have occasionally stayed near a mining district in the Forest of Dean and it seems hardly credible that in this twentieth century the miners (above

The · Journal · of · Public · Administration

all other workers) have no water laid on in their cottages and have no encouragement for acquiring the hot bath habit, except from the beckoning of a kettle of boiling water. But the village has its telephones, and where there are coal mines there must be a railway.

Again, I lived for three years in a village on a main line, only twenty-three miles from the General Post Office. Here there were telephones, a telegraph office, a good postal service, but not a gas or an electric lamp in the place, and even the railway station was lighted, and is still lighted, with oil. Verily, the business man knows better than to volunteer capital when there is no immediate prospect of a return. And as for the red-tape legend, what Government department has ever perpetrated such an inflexible regulation as that which has produced the season-ticket nuisance? Although my nightly train home has a clear run without a stop, and all tickets have to be shown at the London terminus, they must again be scanned at the other end by two officials, blocking egress; with the result that it takes five minutes to clear the platform, notwithstanding the unseemly scramble of young bloods whose time is so valuable after they are loosed from business cares. Incidentally, the outlet at this station has not been enlarged in the memory of the oldest inhabitant of a place which has blossomed from rurality to a suburb during the last twenty-five years. This may sound and possibly is trivial; but it would not be counted trivial if a Government department were concerned. As it is, no one complains, no one writes to the papers or to his "member" about it; there is no competition to compel action and, therefore, says the commercial traveller, why should you expect a business company to jeopardize the profits of its shareholders by an outlay for the benefit only of its customers. Absurd!

I can claim to speak with some knowledge of the facts, because in the progress of forty-two years it has been my fortune to pass from a private business to a company's ramifications and thence to the service of the State; and for ease and freedom from worry give me the company first and the private concern next.

It would be an absurd affectation to suggest that service in the National Telephone Co. or in the United Telephone Co. which preceded it, was a bed of roses. Every one in this country or any other who has knowledge of telephone administration and organization would laugh at the idea; but of the United Co. I could recount tales which would astonish its directorate of business men and shareholders, if any still survive—a happy band, who, in the last year of the company's separate existence, received a dividend of 14 per cent, and for each share in the "United" were allotted two-and-a-half shares in the company which arose from its ashes. Not that this handsome return was undeserved, for the recipients were pioneers of a then uncertain enterprise in a conservative business world; and the missionary effort among the old-fashioned firms of the day was uphill work.

Nevertheless I can safely say this, that, speaking of the parent company, which I joined in 1883, success was not due to sound and competent management, but to the intrinsic value of the invention and to the possession of patent rights. The same acumen that moved the unbusiness-like Post Office to safeguard its monopoly on behalf of the taxpayer actuated the business-like "United" Co. to exact royalty from selected subsidiary companies on behalf of its shareholders.

It was not until the year 1893, some thirteen years after the inauguration of the system, that real development and enlightened management on a scientific basis became the order of the day; and this was due to the introduction of a general manager who, at the outset, had no more knowledge of the intricacies of a telephone system than a post office man has of running a draper's shop. And what was he? Not a captain of industry nor what is commonly known as a business man, but a lawyer, a town clerk, with the lawyer's trained and reasoning mind. True he had escaped the blight of a Civil Service examination and, I believe, of a University course, but for all that, a course of legal study as of any

The Treasure House

study is not inimical to the attainment of a vigorous understanding and of lucidity of reasoning, and these qualities applied to any business are not without their uses.

But, strange to say, as the telephone developed under his auspices, the liveliness—for the service has ever been a topic for humour—began. Before his time the atmosphere at headquarters was comparatively a monastic calm; we were as a cloistered community—but ambling along in a fool's paradise, shortly to be ruffled by the march of events. The easy-going £20 a year for an unlimited service was a boon to the large user and the wealthy, and complaints were comparatively scarce. But there arose a clamour for cheapness; so, side by side with that subscription, the lower message rate was introduced; with the result that the large user clung to his flat rate and the small user claimed the lower charge. Highly unsatisfactory when a dividend had to be earned; and profits dwindled. What then? The next step was to inaugurate a measured rate for all comers, unoptional, except in London where the Post Office was in competition; and the Post Office, mark you, not the telephone company, saved the situation for many years for the large user. And little thanks it got for it.

Those of us among the staff of the United Telephone Co. who had come into contact with officials of the Post Office prior to the transfer of the undertaking to the State were under no delusion as to the business capabilities of our future masters and colleagues. From my earliest days in the company I was accustomed to hear of Post Office officials—some of whose names are now to be found only in dusty files—spoken of without rancour, as able men defending, not their own positions, but the broad interests of the State, honestly and squarely against what was, popularly, becoming to be regarded as the encroachments of a gigantic private monopoly. They may have been mistaken, but if so the public were with them—and by the public I mean chiefly the commercial world. If, as has been frequently asserted, the Post Office was in the earlier days a stumbling-block to telephonic progress, it was ably supported by other public, local and private bodies who were in no haste to grant facilities for development except at their own price. To those who have memories, the conduct of the negotiation of the transfer of the business to the State before and during the final arbitration in 1912, bore ample testimony to the disinterestedness and untiring industry of the men of this particular branch of the Civil Service.

And when we, reputed men and pupils of business, came over to the service of the State, what did we find? In a word, that a far higher standard of work was expected of us for the same pay! I am not exaggerating; for, at all events among us on the clerical side, it was common talk. Our cares and responsibilities were multiplied, and we found ourselves side by side in competition with colleagues who, at the least, and at the outset, had given some indication of their general ability by the test of a stiff examination.

There were other differences, too, which made the parting of the ways a matter of some regret. For I had reached a stage where a daily free luncheon was, at once, a privilege and an obligation—a useful institution whereby the head official circle were enabled to exchange views and discuss subjects of general or high import. Another wistful memory is that of the recuperating week-end recess, unknown to the Civil Servant in its full blessedness; the arrangement being that my immediate chief and myself were free from official attendance every alternate Saturday; no uncommon proceeding in the business world. Think of it! A similar arrangement in the Post Office would mean a twenty-six day cut out of the annual leave; to say nothing of other days off to bury relations or visit the dentist.

Again, "subsistence allowance" was a term unknown in those generous days. On one occasion I was sent to Stockholm on a commission of inquiry. Before leaving I hinted, delicately, at the question of expenses. With confidence in my rectitude the general manager dismissed the subject by opining that I should know how much money I set out with and how much I brought back, and that a

The · Journal · of · Public · Administration

calculation of the difference was not beyond my arithmetical powers. But I have no desire to lacerate the feelings of my present colleagues with further attractive samples of business management; they are first-hand, however, and therefore reliable.

Extracts from an article by Eustace Hare in "The Telegraph and Telephone Journal."

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Sir Frederick Lugard's solution for the problem of government in tropical Africa rests on constituting the native chiefs "an integral part of the machinery of the administration," and in devising "a single Government in which the native chiefs have well defined duties and an acknowledged status equally with British officials." The advantage of such a solution is obvious in the case of the Moslem States of Northern Nigeria; but Sir F. Lugard is convinced that the anarchy prevalent among the pagan races, which has been aggravated by the advent of the European, can be counteracted by building up "a tribal authority with a recognized and legal standing, which may avert social chaos." Direct British rule among primitive tribes is efficient, but it is costly, and above all—

it shirks the more difficult task of education, and when the time comes—as it inevitably will come—and the people demand a voice in the control of their own affairs, we shall find—as we find in India to-day—that we have destroyed the natural institutions of the country, that we have sapped the foundations of native rule, and have taught them only the duty of obedience. We can then only offer an alien system, evolved by Western nations to suit wholly different circumstances, moulded on European and not on native habits of thought.

The system has undoubtedly severe critics, but the objections to it are largely based on misapprehension of the character of the communities to which it is applicable. The author readily admits that the plan is inapplicable to communities of Europeanized natives educated on Western lines. For them the method of their progress towards self-government lies along the same path as that of Europeans—

Increased participation in municipal affairs until they prove themselves fitted for the larger responsibilities of government of their own communities, by a majority vote in the councils, by popular election, and by appointment to posts of responsibility in the Civil Service.

The carefully planned municipal system of Nigeria is an effort to give practical effect to this admirable theory. Nothing indeed is further from the purpose of Sir F. Lugard than to place barriers to the progress of the educated native of Africa, and few have more felicitously expressed the solution of the colour problem—

Here, then, is the true conception of the interrelation of colour; complete uniformity in ideals, absolute equality in the paths of knowledge and culture, equal opportunity for those who strive, equal admiration for those who achieve; in matters social and racial a separate path, each pursuing his own inherited traditions, preserving his own race-purity and race-pride; equality in things spiritual, agreed divergence in the physical and material.

These principles, which have received the *imprimatur* of President Harding, inspire many of the recommendations in the chapters on education, and notably the suggestion of the establishment of an African University, where youths to fill high posts in the Civil Service might be trained.

These ideals, of course, leave no place for the exploitation of the African by the white man, even when the exploitation assumes the attractive form of the proposals of the Empire Resources Development Committee, which aim "at promoting the development for profit under State auspices and participation of selected resources." Nor does the policy of restricting the export of colonial produce to foreign markets receive approval, save under very special conditions and as a temporary measure. A system of inter-Imperial preference is less open to objection, but just stress is laid on the advantages of the policy of the open door as opposed to the narrow selfishness of French colonial policy, which imposes an unjust burden on the French dependencies. On the other hand, Sir F. Lugard sees no objection in

The Treasure House

principle to the Colonies' sharing in the cost of Imperial defence. Consistently, again, he refutes in his treatment of the labour problem the figment that the native is a born idler, who lives on the work of his wives and who must be taught by labour for European employers the dignity of toil.

Sir F. Lugard recognizes the need of central control; but he would prefer to localize it in some measure by the federation of colonies; and the delegation of wide powers to the Governor-General in charge of each federal group, a proposal which, of course, must be clearly distinguished from the amalgamation of contiguous colonies into one. The suggestion has some attraction, and the East African territories offer a tempting field of experiment. But there must always be borne in mind the great advantage which a colony derives from being under the immediate control of an officer with the full power of Governor, and the risk that the Governor-General would in the long run serve merely to increase the complexity of control and to add to delays; while with human nature as it is, especially in the tropics, friction between the Governor-General and his subordinates would almost certainly impair the efficiency of the administration. The difficulty would be further increased if the Governor were, as is suggested, to spend five or six months a year in England, or *en route*, and still to retain his powers. In tropical colonies emergencies are not rare; and it is a sound principle that the man who must deal with them should be invested with the full authority and status of Governor.

"Times" Literary Supplement.

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Passing under the triumphal arch, one immediately finds himself in one of the cleanest and most interesting cities in Latin Europe. It is clean in more respects than the mere absence of rubbish in the streets. To be sure, the streets are clean, for Lisbon has one of the best sewerage systems of any European city; it also has a wonderful water-supply system, thanks to Pombal. The buildings are clean, the shops are clean; so are the shopkeepers and their stocks. The street urchins are clean; yes, and so are the ragged beggars.

But, what counts most, Lisbon, as Latin or southern European cities go, is morally clean. It is not immaculate or sinless, but no large city abroad has fewer homicides, less thieving, or is troubled with social problems of such insignificance in comparison.

Lisbon is interesting as a study in municipal planning. It is an index of the versatile mind of its builder, Pombal, who was in mental combination an engineer, an architect, a financier, an administrator, and man of vision. His civic schemes were a century, and in some details two centuries, in advance of contemporary builders. The rest of Europe has hardly caught up with his building methods. His laws for the construction of buildings to forestall damage by earthquake tremors and shocks are still enforced, and they have saved the city several times since his day.

From the "National Geographic Magazine."

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Not the least of the handicaps laid on the American trying to do business in China is the failure of his Government to give him proper support and encouragement. When a British subject is outraged a warship speeds to the spot and the old lion begins to growl. So, too, with British capital that goes venturing abroad, for it is safeguarded by the British Foreign Office in every way. The Foreign Office in London, with its invaluable Department of Overseas Trade, is England's best trade scout. The American business man, on the other hand, not only has to struggle for Washington support but Uncle Sam adds to his troubles by putting serious obstacles in his way. This leads me to the most timely and conspicuous example of how the United States dangles much-needed relief and fails to make good. I refer to the failure to pass the China Trade Act, a statute of supreme importance to our commercial interests in China.

The · Journal · of · Public · Administration

For years American houses active in the Orient have been seriously hampered in competition with the firms of other nationalities. Incorporated under laws of the United States—that is, the law of an American state or the Code of Alaska—they are subject to all the restrictions imposed by these laws. In other words, they are domestic corporations. Not the least of their troubles is the requirement to pay a considerable portion of their profits to the Government under the income tax regulations.

British, German, French, Italian and Japanese firms labour under no such hardship. Their governments encourage enterprise in the foreign field. All that a British merchant is required to do when he wants to form a company for China trade, with the privilege of doing business anywhere else in the world, is to form a China Company, under the Hong-Kong ordinances, which merely involves registration at Shanghai or Hong-Kong. The company does not pay 1 per cent of taxes to the home government, to the Chinese Government, or to anyone. The only taxes demanded are for land and the rental assessment on the real estate owned or leased by it. The profits are subject to no tax deductions whatever. This is why the Chinese prefer to tie up with British companies, for it gives them immunity from taxation.

*From "The Changing East," by Isaac F. Marcossou,
Philadelphia Saturday Evening Post.*

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In Europe, titles and orders, and (in monarchies) the exaggerated respect paid to civil servants as the visible symbols of royal power, attract the brains of these countries into Government work in spite of low salaries. If vanity and other pardonable human weaknesses can be capitalized at all, a C.B., a knighthood, a Herr Oberregierungs-rath, or a Geheimer must be capitalized so as to double the existing salaries of the title-holder. We have, perhaps, unfortunately, no such gewgaws here; and though we may hope that the privilege of serving the Government is one to stimulate the enthusiasm and pride of every young citizen, we must pay our officials fair salaries or else we shall not be able to compete with private enterprise. A list of resignations from our national Civil Service at Washington in a single year, representing the departure of the best men in Government offices to more lucrative private business positions, will convince any honest Congressman of the need of a revision of our scale of salaries. In 1907 there were 15,289 and, in 1908, 11,153 resignations from the United States Civil Service.¹ We must compete with the large corporations for administrative talent.

When we have settled upon these practical principles of Civil Service, we must revise them every decade or so to keep up with the times. A fixed code of Civil Service regulations is as dangerous as an unchanging code of law. We must weigh the cases and experiences of a decade and revise intelligently. The cumulative evidence of ten years might well be submitted to periodical commissions of investigation, in city, county, State, and national governments, as it has been in England, as the basis for legislative action. And, meanwhile, we must be alert to see that patronage does not creep back into the services. We may trust to the bureaus of municipal research, to the Civil Service reform associations, and to newspapers, to watch every act of Congress, State legislature, and aldermen affecting the Civil Service. The heads of the hydra of graft and patronage grow on again.

*From "The Civil Service of Great Britain," by Robert Moses, Ph.D.
(Columbia University).*

¹ *Promotion in the Civil Service*, a pamphlet published by the National Civil Service Reform Association, 1911.

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THERE are two aspects of public administration which will fall to be considered. There is the historical aspect, for we shall not be able to understand the complexity of modern problems unless we know something of their origin and of their evolution. Thus Mr. Lumley's article in this issue, dealing with the administration of Buonaparte, will be the foundation of future comparative studies of French and British administration. Then there is the aspect of the immediate application of principles. Mr. Vivian's capable study of statistics in administration is a valuable illustration of the recognition of this aspect. It will be desirable to keep the two aspects somewhat in parallel, for the student will need empirical data as well as the historic foundations. In so far as we are building up a science of public administration we must have a clear vision of method, for we have to apply administration to our own minds at an early stage. Probably this will involve, for some time, an emphasis upon historical research; probably, too, this historical research will deal with the evolution of local as well as of centralized administration, though this is bound to come a little later. It is only as we proceed that we find how wide-reaching is the survey which we need before we can conjecture the limits of our interest.

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Yet it was a little comforting to find so great an authority as Sir Josiah Stamp pointing out that the co-ordinate study of the administration of privately-owned businesses is no more advanced and that the Institute of Industrial Administration is also in its babyhood. It is all for good that the two institutes should travel side by side. No doubt the founders of the sister institute have had their critics. Criticism is not necessarily unhealthy. For that reason a somewhat sharp letter was included in the last issue of the JOURNAL. It protested vigorously that the writer could see no reason for joining the Institute, though, of course, under the conditions which govern the "Forum" he has joined it. He saw nothing to be gained, no professional status to be acquired, no corporate life to be cultivated. It was wise to insert the letter, as the objections to the Institute could not more capably have been expressed. We can imagine many business men saying precisely the same thing of the Institute of Industrial Administration. They have not felt the need of it. They have not learned that most precious thing, the estimate of their own limitations.

The • Journal • of • Public • Administration

It is well to face this criticism. If an institute which gathers together the ripest results of experience, the patient research, the wide-reaching comparisons of all aspects of administration, is of no use to any one member of the public services then that member must be a singularly well-equipped servant. It is dangerous to be so well equipped and yet to have no sense of duty, to have no desire to enable others to be equally equipped. So the first answer would be that the lowest of all reasons is to plead that there is nothing to gain. For those who have nothing to gain there is infinite opportunity of having much to give. And if there is in their minds a spark of appreciation of the services to which they belong and a spark of desire to pass on a worthier heritage to the next generation they will be grateful for the opportunity. It was in this spirit that Sir John Anderson spoke at the great meeting in the Central Hall. His analysis of his own initial misgivings was a most valuable defence of the ideals of the Institute.

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Nevertheless it must not be imagined that the Institute comes fully developed. After all it is the beginning of an institute. Probably much the same description may be given of the Institute of Industrial Administration. Both of them are setting out on uncharted seas. They will adapt themselves to the special needs and purposes of the time. They will learn new potentialities of study and of advancing knowledge. They will learn new vistas of coming into contact with university life and with that spirit of investigation into all sorts of human aggregations which will enable them to function all the more capably because their methods and purposes have been examined. Our own institute will have its particularized function in that the aspects of public administration which need to be considered are fundamental to the life of civilized States. After all we cannot serve the public as individuals. We cannot be content with our own narrow outlook when it can be widened and enlightened by the knowledge which the Institute will make readily available. This is not immediately to be translated into pounds, shillings, and pence, but it is immediately to be translated into a direct intention towards enlightened efficiency. The effort to raise the professional status of public servants by this means is a novel effort, but at any rate it is an effort which is worthy of the contributions of every public servant since it is just in this direction that corporate life of all kinds finds its healthiest stimulus. The desire for individual gain is checked at the outset, for herein lies the heresy of the day outside the vast body of men who by reason of their function are compelled to emphasize their personal insignificance.

Notes

This, too, is not without its special value, since personal significance does not indicate personal worth. No doubt any successful attempt to recognize the status of public servants must redound some day to a revised estimate of reward. To say this is not to suggest that such an aim should be the aim of individuals. It is like the hedonistic paradox. It is more likely to be gained when it is not directly sought. Such a spirit may not readily be found, but even a desire for it is to be encouraged. At any rate it is in this direction that our vigorous correspondent will find his answer.

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The meeting of the Institute at the Central Hall, Westminster, on the 20th March, was a notable gathering. The address, which was given by Viscount Milner, is reprinted in full in this issue. It will be admitted that it was an admirable survey of the work of the Institute and of its possibilities of expansion. Lord Haldane's introductory remarks from the chair added to the comprehensiveness of the view, and other aspects were included by Sir John Anderson, G.C.B.

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In another place in this issue there is an announcement of the prize essay scheme. This is the beginning of efforts to encourage contributions from all quarters in respect of the development of interest in the functions of public administration. The subjects have been chosen so that, within their compass, all the operations of public servants are included and competitors may draw from their own experience to illustrate the theories with which they propose to deal.

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Meantime there is movement in other directions. The regional branch meeting at Manchester was most successful and Mr. Wise has given encouraging reports of his impressions. At Birmingham, under the chairmanship of Mr. John Scott, there was a very successful inauguration of a regional branch, and Sir Alexander Lawrence, Bart., and Mr. Corner conveyed the greetings of their London brethren and expounded the ideals of the Institute. The regional branches will throw new vigour into the work of the Institute and will keep it from any danger of metropolitan narrowness of vision. The Birmingham meeting was remarkable, too, for the letter which was received from Mr. C. Grant Robertson, the Principal of the University. We reproduce the letter in this issue in view of its value as an insightful contribution to our studies of the place which the Institute will take in national life.

The · Journal · of · Public · Administration

Arrangements are in hand for a Summer School in connection with the Institute to be held in Cambridge probably at the end of July. It will cover a long week-end, from Friday to Tuesday morning, and lectures will be given by well-known authorities on the work of central and of local administration from various points of view. Particulars may be obtained, later on, from the secretary, after the arrangements have been completed. The Summer School will afford an excellent opportunity for members and associates from different towns to meet together and at the same time for them to come into closer touch with the work of the Institute. With all these enterprises in hand the first session of the Institute can safely be said to have been fruitful. The next vista is the arrangement of closer relationship with the universities and the comparative study of different methods of recruitment and of training of public servants throughout the world. These matters have been entrusted to influential committees.

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The departure of Mr. E. F. Wise, C.B., from the Civil Service will leave a gap in the original founders of the Institute. He continues to serve, at the request of the Council, on the Interim Council, but his ultimate loss to the Institute will be keenly felt. The work which he has done in many ways has been of inestimable value in the foundation of the Institute, and as Chairman of the Council he has been an admirable and vigorous leader. The Institute owes an acknowledgment, in this place, of services which were far wider in their range and deeper in their self-devotion than at present can be generally realized.



The Aims of the Institute

The Aims of the Institute of Public Administration

AN ADDRESS DELIVERED BEFORE A MEETING OF MEMBERS OF THE PUBLIC
SERVICES AT CENTRAL HALL, WESTMINSTER, ON 20TH MARCH, 1923

BY VISCOUNT MILNER, K.G., G.C.B., G.C.M.G.

LORD HALDANE, ladies and gentlemen. In spite of the complimentary remarks you have just heard about me, I adhere to the view that it is a mark of great liberality of mind on the part of the members of the Institute of Public Administration to have asked me to address them. I am the kind of man whom the professional Civil Servant might very properly object to, the kind of man who, if your Institute achieves the laudable objects which are set before it, will be rendered more and more superfluous—I mean a man who is pitchforked into the Service in middle life without any previous special training, and who perhaps never acquires a perfect or anything like a perfect knowledge of the technique of his business. In my young days no one looked on the Civil Service as a profession, and if you had talked of the technique of public administration nobody would have understood you. It was not thought that a man required any special training or education for the position of a public administrator; if he had a good—a moderately good—general education, it was enough. The ideal of the Civil Servant in the upper ranks was that of a cultivated gentleman, in the lower ranks that of a painstaking, trustworthy, and methodical clerk. Now I think we cannot regard with too great a respect or feel too grateful to what I may call the old school of Civil Servants. The best of them were men of remarkable uprightness—un-self-seekingness—and devotion to the public interest as they understood it. They set a standard; they were the creators of a tradition of rectitude and incorruptibility which has made the British Civil Service an example to the world. And the old Civil Servant, in addition to all these excellent qualities, often acquired a really amazing knowledge of the details of his particular compartment and skill in handling them. Within his own water-tight compartment he was an artist. On the other hand, he was apt to be narrow, routine, unimaginative: he was apt not to have what Kipling calls “the common touch,” the common touch with his fellow creatures, and not always the common touch with his colleagues of other departments, except to punch their heads. Incidentally I may say that war between departments is not altogether unknown even in the present day. I remember that when

The · Journal · of · Public · Administration

I was a member of the War Cabinet a great deal of my time was spent in trying to compose feuds between departments, each desperately zealous, each determined to save the country on precisely its own lines. The thing at one time got so bad that I was tempted to publish a regular daily bulletin of the latest news from all the battle fronts—the battle fronts in Whitehall. But that is by the way.

To come back to the Civil Servant of the old school, I would say of him finally that he lacked initiative. It was a little more than that: he might have a good deal of natural initiative, but he felt it his duty to repress it in himself and suppress it in others as being something dangerous and incorrect and unsuitable to his position. Now up to a point this old system worked well enough. If it became, as we all know it has become, inadequate, that is because the work of the Civil Service, national and local, has increased so enormously, not only in amount but in complexity. It can no longer be conducted in water-tight compartments. The purely empirical method is out of date. So vast and complicated a machine requires organization, and the problem of organization is a difficult one, and it must, if you are not to have chaos, be carefully thought out. Indeed, I am inclined to say that one of our greatest needs to-day is the overhauling of the machinery of government. I think a great deal of work was done by your chairman in that connection, and by a committee of which, if I remember rightly, he was the president, under the auspices of the now almost forgotten Ministry of Reconstruction. The conclusions to which that committee came have been too much neglected, and it may well be among the duties of your Institute, in the course of its discussions, to rescue them from obscurity and to help to give practical effect to them.

The problem of organization! You have got to have comparison of methods, you have got to have exchange of experiences, you have got gradually to evolve general principles more or less applicable to all who are engaged in the work of public administration. Moreover, in these days Civil Servants have got to know something of law, something of economics, and—low be it spoken—something of politics. I am speaking of course of men holding responsible positions. At the same time I would say this, that there is no man or woman holding any position in the Civil Service who is not better for some acquaintance with these subjects. To be a good Civil Servant you must be a good citizen, and to be a good or at least a very useful citizen you must know something of the structure of the body politic.

Now it is, as I understand the matter, to the gradual growth of ideas of this kind that the birth of the Institute of Public Administration is due. Now that it is born, and appears to be a very vigorous infant, I should like to be permitted, as a sympathetic outsider, to touch for a few minutes on some points of its programme, which seem to me of

The Aims of the Institute

special importance—perhaps incidentally to refer to some pitfalls which it would be well to avoid.

Now in the first place, I am very glad to see—and I think this is fundamental—that the Institute embraces on an equal footing those engaged in central and in local administration. Your chairman has already referred to this, but I am glad to repeat it, because I think this matter particularly vital. Time was when it would have seemed fantastic to speak of the permanent head of a great Government office and the clerk to a borough council as belonging to the same profession. But in fact they do. Local and central administration are becoming increasingly interlocked, and one of the greatest problems before the members of this Institute is to define their several spheres and work out the principles which should govern the relations between them.

I understand that in the course of this summer there is to be a Conference at Cambridge for the discussion of problems of administration, in which both central officers and local officials are concerned. Now I think that very important. There are of course a number of branches of public administration in which the central and the local authorities are in perpetual contact, and where there are, in the absence of sound organization and good mutual understanding, numberless opportunities for friction. One of the great points which a Conference of this character will have to work out is the nature and the degree of control which Whitehall ought to exercise over the initiative of local authorities. You certainly do not want to repress that initiative, but there has no doubt to be a certain central supervision of it or else the whole body of local administration will get into chaos. Now, as I say, I think a discussion of that problem by representatives of both sides is a most excellent idea. It is a delicate question, and it is only by both parties working at it together that a satisfactory solution can be reached. I regard that Conference as a matter of great importance, and I think everyone of us must wish it all possible success.

Now to come to another point. You must forgive my jumping about in this way, because I have a good deal of ground to cover, and I do not want to detain you too long. I see that in your programme of work you desire to start clear of questions affecting the material interests of Civil Servants. Let me say I am sure you cannot be too rigid in excluding them. I mean such questions as I have myself had a lot to do with in the past—questions of pay and promotion and classification and all the rest of it. They are very important. I fully realized that when I was head of a great Government department—I fully realized the necessity of devoting any amount of attention to get these matters right; but there are other organizations in the Civil Service for looking after these things, with which the Institute of Public Administration has nothing whatever to do. Not the personal interests of the members of

The · Journal · of · Public · Administration

the Service, but the efficiency of the Service, the perfection of its technique, the scientific study of the principles of administration—these, I conceive, are the proper field and the only proper field for your activities.

And now I come to another point, a very delicate one—I mean that treacherous and debatable ground on which administration comes into touch with politics. It is easy to say that Civil Servants shall have nothing to do with politics; as a matter of fact they cannot help having a great deal to do with them. That the Civil Servant should not take an active part in party politics is indeed absolutely clear. It is the fundamental principle of his profession, though even with regard to that a number of very difficult questions arise as to what, in the exercise of his right, or, if you like, in the discharge of his duty as a citizen, he may do or may not do—very difficult questions which, perhaps, in the course of your discussions you may be able to do something to elucidate. But, as I say, it is generally admitted and absolutely indisputable that the Civil Servant must not allow himself to become a political partisan. But with politics in the higher sense of the word, the sense in which the philosophers use it, the really vital interests of the body politic, of course he has everything to do. Broadly speaking, it is no doubt quite right to say that it is for the Government and Parliament as representing the nation to lay down what is to be done; and for the Civil Servant just to do it—that he gets his orders from a higher authority, and his business is simply to execute them. But in practice this distinction is not so easy to maintain. For a great deal depends upon the way in which the orders are given, and the way in which they are interpreted, and with both of these the Civil Servant has a great deal to do. The Civil Servant gets his orders certainly, but are the orders always clear? Look at any Act of Parliament: often it is a mass of unintelligible jargon. That may partly be the fault of the Civil Servant who drafted it, but it is more often the consequence of the way in which it has been hacked and cut about in its passage through the Legislature. Anyway, it is often unintelligible jargon when it ultimately emerges. And even the best of Acts of Parliament leave room for, and indeed demand, the exercise of a considerable amount of discretion in their execution. Latitude of interpretation is necessarily very wide.

Consider again the relations between a Minister and the upper staff of his office. The Minister comes in very often, knowing nothing at all about the business. He has his policy, he has his ideas, but when he comes into contact with the practical difficulties, with the new facts, with the vast amount of accumulated knowledge and experience which the permanent officials can bring to bear upon the subject, those ideas almost invariably undergo considerable modification. Indeed, one of the chief duties of Civil Servants of the upper ranks is to give

The Aims of the Institute

shape and substance to the vague aspirations, the misty ideas of the politician, and as long as that duty is loyally performed, with the honest desire not to defeat the Minister's policy, but to produce something workable, the Civil Servant does in a perfectly legitimate way exercise an important influence on the course of politics.

May I at this point take another leaf out of the book of my own experience? I remember not a few ministerial discussions in which I took part myself which followed something like this course. We met together to discuss some rather urgent and burning question of policy. We were perhaps fairly agreed when we met about the direction in which we wished to go, but as the discussion proceeded first one difficulty and then another cropped up on points of detail. On these we differed a good deal from one another, and then the debate often got off on to side issues, and after an hour and a half or two hours of it we were all in a muddle, and we were getting very tired, and everybody's hair—if he had any hair—was ruffled, and the prospect of arriving at a clear conclusion was gloomy. Then the attendant Civil Servant would quietly slip into the hands of the chairman an insignificant little piece of paper with a few tidy resolutions which pulled the whole thing together, and omitting what was immaterial or impracticable, so to speak explained us to ourselves, and embodied the greatest common measure of agreement between us. Those resolutions were readily adopted, and we went away having after all done something. I have said that there is a legitimate way in which Civil Servants can influence political developments. Let me add that their influence is calculated to be in the best sense of the word, not in any party sense, a conservative one, and I look to it as likely to be a great steadying influence in stormy times.

Now, lastly, on a kindred topic, may I say a word or two about the relations of the Civil Service to the public, for that also is a subject which, if you believe that there is such a thing as a science of administration, you will have carefully to study. I think I might sum up my feelings on this point in a single sentence by saying that while it is right and desirable for the Civil Service to assert itself as a profession, it must be very careful to avoid the danger of becoming, or seeming to become, a caste. This is all the more important now that public administration is playing a more and more active part in the everyday life of the people. It would be most unfortunate if public administrators came to be regarded not as helpful and sympathetic fellow citizens, but as superior persons claiming to put everybody to rights, and to point out from above to everybody the road on which he or she ought to travel. I do not mean that you should try to court popularity. No Civil Service is ever popular. If all Civil Servants were angels they would still remain a target for the shallow-pated, and cheap gibes at bureaucracy would still continue to fill the columns of the press. You cannot escape

The · Journal · of · Public · Administration

such criticisms, but you can avoid deserving them. I think it is right to admit that there is a constant danger of public administrators earning unnecessary unpopularity by rigidity and aloofness and by being too little like their fellow creatures. This is perhaps a question of manner rather more than of matter, but I think in the study of the science of administration there is a great deal of room for reflection on the methods by which the inevitable interference of the Civil Servant with the operations of business and the daily life of the people—the inevitably growing interference—may be made as little irritating as possible. This is a matter for serious consideration. There is one particular point about it to which I should like to refer. I think the reason why Civil Servants so often appear rigid, set, inelastic, not men of the world, is that they are stuck in the same office doing the same work from 20 to 60 years of age. I put it to you as students of administration that it is a subject worthy of serious inquiry whether a greater degree of interchangeability is not possible. I know it is a very difficult problem. It was brought very prominently before me when I was at the Colonial Office, because I always felt that one of the greatest troubles of colonial administration—I am speaking now of the administration of the dependent Empire, not so much our relations with the Dominions—was that the people here in Downing Street had for the most part no practical acquaintance with, had never been to see for themselves, the places which they were constantly dealing with on paper; and without wishing to be personal, I was struck by the advantage possessed by those members of the Colonial Office who had, at some stage of their careers, been Colonial Civil Servants themselves, and I was always trying to see what could be done to get over the trouble and the friction and the want of sympathy which arose from the fact that here you had two sets of men dealing with the same problems, but always necessarily looking at them from opposite sides. Well, as I say, the difficulties of this interchangeability are very great, but they are not insuperable. And, in any case, if there cannot be interchange of billets, that is all the more reason for having the greatest possible interchange of ideas. Do get out of the water-tight system in your minds if you cannot in your bodies. And this is, I understand, one of the principal objects which this Institute has been founded to achieve. It is to break down the separation not only between central and local administration, but between the different branches of each, and to promote a constant intercourse and a fresh flow of ideas, constant comparison of experiences between people in the different branches of the Service. And it is not only between Civil Servants themselves that an interchange of ideas is desirable, but between them and men of other professions, especially the professions with which they are so constantly brought into touch—the medical profession, for instance, with which

The Aims of the Institute

public administration is so intimately concerned. And not only with professional men but with men of business. No doubt there is a great deal of difference between the methods of business and the methods of administration. That is all the more reason for keeping up the touch between men in business and men in public administration. Each side has much to learn from the other, and it would be a great point gained if they could understand one another better, especially as a lot of silly people are always trying to set them by the ears. If I might be allowed to write a motto over one of the gates of that great College of the Science of Public Administration which you are some day going to build, I should like to suggest the words "Cultivate Humanity." It is not certainly the only thing to be thought of, but it is a more important thing than is commonly recognized. Great opportunities are now open to those engaged in the work of public administration. The field of their activities has widened enormously; it will widen still more. And the education of the public administrator—I do not mean so much his preliminary education, which I think had still better be as general as possible, but his self-education, after he is in the service—the education which he gets in contact with his fellows, his education through life, will have to grow wider too. On the one hand, he will have to make a more scientific study of the problems of his own profession; on the other hand, he must strive for a larger and more sympathetic acquaintance with as many aspects as possible of that national life upon the development of which he is destined to exercise such an enormous influence.



The Growth of Administrative Discretion

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"WISSE men have always perceived," wrote Sir Henry Taylor nearly a century ago, "that the execution of political measures is in reality the essence of them." Those who scrutinize at all carefully the working of the political machine will find it difficult not to be astonished at the change which has come over its operation since he wrote. A state built upon *laissez-faire* has been transformed into a positive state. Vast areas of social life are now definitely within the ambit of legislation; and a corresponding increase in the power of the executive has been the inevitable result. For no legislature could hope otherwise to keep pace with the pressure of public business. It cannot each year pass some hundred Acts of Parliament, and watch with meticulous exactitude the details of their application. What, as a consequence, has occurred has been the wholesale transference of control from Parliament to the departments. Legislation by reference and by delegation has taken the place of the older method which regulated with a jealous precision each item of official activity. Anyone can see the nature of the change who compares the Defence Acts of the Napoleonic Wars with the Defence of the Realm Act in the late conflict; nor is the contrast less apparent when the clauses of a modern Factory Act are placed side by side with its ancestor of a century ago. Administrative discretion is of the essence of the modern State.

Let us note some instances of the powers transferred to the executive. In 1839 the fees for taking out a warrant or summons were strictly regulated by the schedule of the Metropolitan Police Act; by a revising Act of 1897 the Home Office was given power to vary the fees. In 1909 the Trade Boards Act was applied to four specified industries; in 1918 power was given to the Ministry of Labour to apply it to other trades by special order. These are examples of what is, in effect, the direct transference of legislative capacity. Not less striking is the development of what Lord Herschell called "skeleton legislation." The Aliens Act of 1905 laid down certain specific restrictions upon aliens; this was repealed by an Act of 1919 which, however, conferred upon the King in Council the power to re-enact any of the clauses in the earlier statute. Under the Roads Act of 1919 the Ministry of Transport is empowered to make all orders it thinks suitable for the registration of motor vehicles. Practically the whole arrangements of aerial navigation are settled by Order in

The Growth of Administrative Discretion

Council under the Air Navigation Act of 1920. The Home Secretary has wide regulating powers in relation to such matters as cemeteries and convicts, prisons and police discipline. Everyone at all concerned with administration knows how vital is the control of the executive in all matters relating to housing, education and the national health. And how complete is the delegated power *Arlidge v. Local Government Board*¹ has made strikingly apparent; for therein it is laid down by the House of Lords that a department to which is delegated the power of making decisions shall settle without limitation the procedure by which those decisions are made. That is a power which no administrative body possesses even in a country so addicted to administrative commissions as the United States.²

Nothing, clearly, is to be gained by repining at this evolution. Collectivist legislation and, consequently, an increase of government control, has been implied, as Professor Dicey has pointed out, in the constant widening of the franchise. A House of Commons which seeks to satisfy the wills and desires of twenty million electors must legislate in qualitatively different fashion from a House which, like that of 1832, seeks only to satisfy a small and economically prosperous electorate. The result, as Lord Thring insisted a generation ago, is that the legislature has time only for the discussion of substantial principle; it must, if it is to discuss the great issues of the time, leave the settlement of detail to the departments concerned. Nor is it certain that Parliament is a fit body to settle those details. Adequately debated they cannot be in an assembly so heterogeneous as a body of six hundred persons must be. The House of Commons may wish to protect authors; but it is wise to leave the details of international copyright to expert administration. It may wish to prohibit the sale of poisons; but sanity demands that the list of poisons be determined by the Pharmaceutical Society.

Nor is this all. When the last word against this evolution has been said, the fact remains that Parliament may legislate, but it does not govern. It makes possible the work of government, but the actual execution of orders in their day-to-day application, it neither would nor could undertake. The House of Commons is, after all, essentially a body of amateurs, more or less benevolent; most of the work of administration is definitely a matter of *expertise*. There are times when the House does not sit; and you cannot arrive at administrative decisions, even when it does sit, through the procedure adapted to a body of six hundred persons. If you need legislation against an epidemic the sensible thing is not to summon Parliament, but to have the power to issue the requisite orders vested in the Ministry of Health. If foot and mouth disease breaks out in Essex it is the part of wisdom to have powers already

¹ [1915] A.C. 120.

² Cf. my *Authority in the Modern State*, p. 98f.

The · Journal · of · Public · Administration

vested in the Department of Agriculture. And where emergency exists it is obvious that the executive must have what may be termed a prerogative capacity of issuing ordinances. These may require a later Act of Indemnity; and, conceivably enough, there are occasions when an indemnity ought to be refused. But the very notion of emergency implies action; and that, in its turn, involves the exercise of administrative discretion. It is particularly clear that in an age of industrial warfare, when the maintenance of essential public services is threatened with dislocation, the duty of executive intervention will imply the use of a discretion far wider than at any previous time.

It is, moreover, to be remembered that this tendency is not confined to England. The Congress of the United States is continually conferring a wider power upon the executive; and the last Tariff Act actually involves the permission to the President to vary at will the scale of duties imposed. What are called in France acts of secondary legislation are derived from the Presidential power to make appropriate additions to a statute in order to secure the application of its idea; and the President year by year is authorized to make additional appropriations to cover unexpected emergencies. The power of the Italian official to make ordinances is even more extensive than in France; and it is said, upon competent authority, that this is sometimes carried so far as to make statutes nugatory by executive decree.¹ Perhaps the most striking case of delegation in Italy was that of the present criminal code. The details were never even presented to the chambers; a general debate empowered the Government, after taking into account the opinions of the deputies, to issue a criminal code by royal decree, existing laws being modified under the same general authority. It would not, indeed, in the light of foreign experience, be going too far to say that no country, save possibly the United States, has so jealously prevented the growth of administrative discretion as Great Britain. Even the Defence of the Realm Act seems insignificant beside the war powers of the American President.

The tendency, in fact, is an inevitable one; and the real problem is the erection of safeguards against its abuse. To protest against the delegation of power is, indeed, very largely a waste of time; for *R. v. Halliday*² shows clearly that emergency will persuade Parliament to part even with the protective armour of Habeas Corpus and Magna Charta should a trusted executive deem their suspension necessary. What, therefore, we require is essentially to discuss the way in which the discretion of the executive can be best controlled, certain direct safeguards there obviously are. For Parliament remains the sovereign body, and a power too deeply abused may be repealed. If, as Lord Dunedin said,

¹ Brusa, *Italian*, pp. 170-1.

² *R. v. Halliday* [1917], A.C. 226.

The Growth of Administrative Discretion

the Government had ordered all Irish Catholics to be interned under the Defence of the Realm Act, that hapless statute would have been at once repealed.¹ But the powers usually exercised under such delegation are more refined than this crude instance; and they are, for the most part, powers which are used in the administrative obscurity of peace rather than under the grim searchlight of war. What, then, we require is a system of mechanisms which enable the discretion exercised to be at once fully known and so known as to be checked if it can be shown to be without warranty.

That is no easy matter. It is clear, in the first place, that the limits of discretion should be stated in the enabling Act with precision. That has not always been done. It is, to say the least, dubious whether Parliament can have intended so wide a use of power as that involved in *R. v. Halliday*. The Courts have, of course, the power to determine whether the executive act is *intra* or *ultra vires*. It was legal, during the war period, for the Government to take over a crop of raspberries²; it was illegal for the Ministry of Munitions to prevent the eviction of a war-worker without its permission.³ The controller of shipping could order the loading of ships and the transport of freight at fixed rates⁴; but the King could not requisition goods without paying their owners fair market value.⁵ In between attempts visibly made to establish some criterion of reasonableness and a dictum such as that of Lord Parker in the *Zamora*⁶ that "those who are responsible for the national security must be the sole judges of what the national security requires," it is not easy to understand how the limits of discretion are settled by the Courts.

That is still more difficult when the decision of the House of Lords in the *Arlidge* case, irrevocable save by statute, is borne in mind. When a power is conferred, it appears, the department concerned may use its own methods by deciding that it is wise to use the power. The absence of express enactment in the enabling Act means that the department is free to embark upon any procedure it pleases; nor will the Courts inquire if such practice results, or can in its nature result, in justice. In such an attitude, what Professor Dicey has taught us to understand as the rule of law becomes largely obsolete. For immediately administrative action can escape the purview of the Courts it is clear that the position of a public official becomes privileged in a sense from which the administrative law of France and Germany is beginning to escape. No one can object to Government action that is *intra vires* so long as assurance can be had of substantial fairness in the methods by which a decision is reached.

¹ *Ibid.* at p. 271.

² *Lipton Ltd. v. Ford* [1917], 2 K.B. 647.

³ *Chester v. Bateson* [1920], 1 K.B. 829.

⁴ *Hudson's Bay Co. v. MacKay*, 3 T.L.R. 469.

⁵ *Newcastle Breweries v. R.* [1920], 1 K.B. 854.

⁶ *The Zamora* [1916], 2 A.C. 106.

The · Journal · of · Public · Administration

We do not want the judicial examination of expert official findings. We do need such an examination of the record by the Court as will persuade it that, as was denied in the *Arlidge* case, the methods used by the department are not arbitrary or capricious. If the Courts be given the power (a) to decide that the order is reasonable and (b) that the decision to issue it was reached by adequate methods,¹ we have taken at least one great step towards protection against abuse.

But that step involves a further stage. The two primary tests of precision in delegation are these powers of review inherent in the Courts. But that ought to imply that where the administrative act is held *ultra vires*, and damage has as a consequence been suffered, the department may be made liable for the damage. It ought to imply the right to sue not merely some official whose purse is slim and who has, in any case, merely carried out the orders of his superior, but the Crown which now refuses to accept penalties for its tortious acts. The implication of the positive State is surely the responsible State. It is, as Maitland said, a wholesome sight to see the Crown being sued for its torts. The one sure way of protecting the public against bureaucratic zeal is to insist that payment be made for error as in the ordinary course of business enterprise.²

Even if judicial protection be obtainable, it is clear that further safeguards must be had. If executive discretion is to be exercised, we want assurance that the interests which are affected thereby are given some knowledge beforehand, and that due concern is taken to see that the decision made has due publicity. Already, indeed, certain steps have been taken to see that the first safeguard is made effective. If the Minister of Labour proposes to apply the Trade Boards Act to a new industry he must give notice of his intention and hold an inquiry if reasonable objection be taken. Some half-dozen ministries and statutory bodies have consultative committees of one sort or another which are intended to keep the departments concerned in touch with interests involved in their activities. The Rules Publication Act of 1893 requires, before any statutory order be made, that forty days' notice be given in the *London Gazette* of the proposal and that a public body making representation against it be entitled to have its views taken into account.

But this safeguard is, in actual practice, much more narrow than it appears. There are many ministries, some, like the Ministry of Health and the Revenue Departments, of vital importance, which are excepted from the clauses of the Rules Act. Nor does it apply to rules which must be placed before Parliament; and the student of the statute book will find many special Acts exempted altogether. Even where these exceptions do not apply, a plea of emergency by the department may give

¹ This is required by the U.S. Supreme Court. See *Clarke, J., in New York v. McCall*, 38 Sup. Ct., Rep. 122.

² On all this see my *Foundations of Sovereignty*, Chapter III.

The Growth of Administrative Discretion

protection against the Act. And the record of consultative committees in departments is surely that whatever they are consulted about, it is not the exercise of administrative discretion. That of the Board of Education, for example, may be asked for advice on nice points of educational theory; but it does not play any part in the decision to abandon an experiment like that of the continuation schools.

Nor is the safeguard of supervision by Parliament itself at all adequate. Under certain Acts regulations made by departments must be submitted to Parliament before they can receive validity; and in the event of objection by either House (expressed in the form of an address to the Crown) the order concerned may be annulled. There have been examples of such annulment, though the research of a most competent authority has not discovered six instances¹; and the provision is needlessly complicated by making the number of days within which objection may be taken vary from Act to Act. Submission to Parliament means, in practice, that the Order is laid upon the table of the House; and an official list of these orders, with the enabling Act from which they are derived, is prepared for the use of members. Yet it is surely clear that such procedure does not go very far. Fully to grasp the implications of the list would involve on the part of the House far more research than most members are prepared or have the time to undertake; and the understanding of its details is an expert matter for which they are hardly competent. They are, of course, all responsible for their examination; but what is the responsibility of everyone is, as a rule, the responsibility of no one, and the present method is much too haphazard to be satisfactory.

Difficulties such as these may, it is suggested, be met in one of three ways. It would be possible to submit delegated legislation to the consultative committees of the different departments. It might be advisable to entrust their scrutiny to a committee of either House such as that which deals with private bills. It might, further, be possible to entrust their examination to committees of Parliament set up to deal with the working of each department. The objections to the first method are probably decisive. Not all departments, in the first place, possess such committees; the Home Office, most notably, does not. Committees of private persons, moreover, who owe their nomination to the Minister can hardly exercise any serious check upon the executive; where they were moved to interference, their action would probably be resented as an undue limitation upon ministerial responsibility. The Minister is responsible to Parliament; he cannot act upon the report of persons who have no genuine official position.

The creation of a Parliamentary Committee, either jointly from both

¹ See C. T. Carr, *Delegated Legislation* [1921], p. 39. I cannot overestimate my debt to this admirable and learned essay.

The · Journal · of · Public · Administration

Houses, or separately, is a possible, even an attractive, method of protection; and a joint committee, in particular, might have the advantage of utilizing the judicial experience of the Upper, with the practical ability of the Lower House. Certain difficulties, however, suggest themselves. The first is the immense body of rules and orders to be scrutinized; two thousand five hundred were issued in 1920. A committee of this kind, if it were to perform its task adequately, could hardly do anything else; and if it did not have (as it would probably need) its own staff, it would certainly need the assistance of an office such as that of the Parliamentary Counsel, which is already overworked. It would, further, be difficult for a general committee of this kind to maintain the requisite *liaison* with the different departments. There is even the danger that where it reported adversely to the proposed regulation, its position would give its opinion too great an authority; and if its suggestions were continually overruled by the mechanical working of the Government majority in the House, its proceedings would rapidly become a mere formality.

The third suggestion seems much more feasible. The proposal to form Committees of Parliament which shall be in touch with the various departments is no new one; and the recent desire of the House for an Estimates Committee is evidence of the realization that, under the present system, the financial work of the different ministries inevitably evades any serious scrutiny. If such committees were set up,¹ they might well serve as the body naturally receiving provisional regulations; and their report thereon to the House would provide a channel of constant information upon which effective action by the House itself could ultimately be built. It is, of course, possible that these committees would, in their working, interfere with the functions of the Minister; that would, in large part, depend upon the character of the Minister himself. A strong Minister, like Lord Haldane, could probably utilize such a channel to his own advantage; and there is obvious benefit in tempering expert discretion by the fund of common-sense opinion which the lay mind can contribute. It is, moreover, clear that the growing separation between the Civil Service and Parliament is mutually disadvantageous; it breeds at every point suspicion and misunderstanding. The experience, moreover, of the Ministry of Food is clear proof of the value of a committee of a semi-public kind to use as a creative vehicle of experiment; and Sir Arthur Salter has recently insisted that "committees are an invaluable instrument for breaking administrative measures onto the back of the public."² "Modern government," he writes, "often involves action affecting the interests, and requiring the goodwill, either of large sections of the community, or of the community as a whole. The action cannot be made acceptable without detailed explanation of this necessity, for

¹ Cf. *The Development of the Civil Service* [1921], Chapter II.

² *Ibid.*, p. 220.

The Growth of Administrative Discretion

which mere announcements in the press are insufficient. In such cases the prior explanation, and the assent of committees of representative men, who, if convinced, will carry the assent of the several sections of the community who look to them as leaders, are of the greatest possible value." It is not here proposed that these Parliamentary Committees shall initiate action; but their opinion that the course of action proposed is unacceptable is a public safeguard of an invaluable kind. It gives definite institutional form to the legislator's interest in the results of statutes.

We are seeking to bring administrative discretion within the public view, and a word, therefore, may fitly be said here of the rules governing the publication of orders issued under these statutory powers. They are, at present, governed by Section 3 of the Rules Publication Act of 1893, and what is mainly notable about that Section is its limited character. Publication may mean a notice in the *London Gazette* that an Order has been issued with the announcement of where it may be obtained. But many Orders are not printed at all; and the interested can find them only in the annual volumes which the care and scholarship of Mr. Alexander Pulling have made a precious possession. Sometimes departments circulate their Orders, without other form of publication, to such persons or interests as are affected. Prerogative Orders have a still different method of appearance; and it is difficult to know exactly what methods are adopted to give official life to such forms of delegated legislation as the Acts of the Universities or of the National Assembly of the Church of England. One does not, of course, doubt that every form of Order that is important enough will secure somewhere some prominence; and even a small college change in Oxford may hope for a word of life in the pages of a university review. But what is fundamental is surely the issue to the public month by month, and preferably in the form of classified sections, of a bulletin of Orders from which each interest concerned may know within the period what has been done by which its life is affected. Statutory Orders, we may admit, are not made for ignorant persons; and everyone, at least in legal presumption, knows all the laws of England and the flourishing group of children they have begotten. It is still, however, convenient to have those laws in accessible form; and the simpler and more accessible the method of publication, the better the safeguard against error and injustice. Publicity in administrative matters secretes freedom in the degree of its own existence.

"Whatever the reason," said the elder Mill, "for establishing government, the very same are the reasons for establishing securities." That remark, it may be admitted, bears obviously upon its face the characteristic Benthamite suspicion of public action. We no longer regard interference by the State with the same suspicion as a century ago. But it is important to bear ceaselessly in mind the new complexity of

The · Journal · of · Public · Administration

life involved in the extension of State-functions. There is much less danger to-day of those "sinister interests" against which Bentham and his adherents so vigorously inveighed. The Civil Service of this country has possessed, at least since the Trevelyan Report, a tradition of incompatibility superior to that of any Civil Service in the world. But the "sinister interest" of the modern time is a different problem from that of James Mill's day. It is the inevitable result of a State whose life is lived upon a scale so much more ample and profound. Therein obscurity is multiplied; and it is a vital canon of administration that the more direct the public knowledge of the results of legislation, the more sure are the safeguards of its beneficence. Certainly the constant criticism of the administrator is essential to the success of the democratic adventure. He has in his hands, more completely than at any previous time, the whole substance of the State. Every degree of his removal from the scrutiny of the public is a serious infraction of its liberties. For while democracy can no longer mean the immediate and continuous contact of the electorate with the process of politics, it must involve the possibility that the process may be as simply intelligible as possible to all who have the interest to inquire into its working. The test, indeed, of institutional fitness is, above all, simplicity; and the growth of administrative discretion has been attended by a complexity that is usually unnecessary and not infrequently dangerous.

Conversely, of course, the administrator requires his safeguards; and the study of what they should involve is one of the greatest problems in modern political science. It is, it may be added, the more important in a system like our own, where the departmental pre-eminence of the Minister may, as the reports on the campaigns in the Dardanelles and Mesopotamia made evident,¹ place an ox on the expert tongue. To call forth initiative in the public servant is perhaps the first task to which a member of the Cabinet must address himself; but that initiative must work always within the ambit of a conscious control. The problem, in large part, is a psychological one. It turns upon giving the legislature such organs of scrutiny as do not suppress initiative even while they secure inventiveness. It is at least doubtful whether it is soluble in terms of the historic anonymity of the public service. Much of it depends upon a knowledge by the member of Parliament of its personnel which he cannot now hope to possess. Not a little, also, will turn upon a change in the practice which now makes a matter of confidence every act of the department. Experiment with the great principle of ministerial responsibility is, undoubtedly, a dark and difficult adventure. It is an inevitable adventure if the process of administration is to be public. For only by making discretion effectively responsible can we hope to give the modern state the instruments of which it stands in sore need.

¹ Cf. Mr. Graham Wallas' interesting analysis, *Our Social Heritage* [1921], p. 61f.

Technical Language

Technical Language

BY A. B. WALKLEY

[This Paper was an address delivered by Mr. Walkley to the London Telephone and Telegraph Society. He has kindly revised it for the "Journal of Public Administration."]

I FIND, not for the first time, that to be appointed Chairman of anything is at once a chastening and an instructive experience. It is chastening because it is a reminder, of course in a very pleasant, flattering form, that one is not so young as one was; it is instructive because it provokes you to satisfy your curiosity. You wonder to yourself "What is this society that makes so odd a choice of chairman?" and you suppose that such a society must be unique. But your inquiries soon show you that it is not unique, that there are other local societies of the kind in the provinces, and that this is not the only society of the kind in London. After all, when you come to think of it, this is just what was to be expected. Wherever you have a centre of intellectual and practical energy, like the Post Office, you may be quite sure that other energies will develop round it in the nature of such societies as ours. Let me take a figure from music. You know what is meant by a harmonic note, the secondary note which you get by drawing a bow across a fiddle string in a slightly different way from that in which you draw your bow for the primary note. It seems to me that we here are sounding the harmonics of the primary notes that we sound in our official labours.

We sound our harmonics as individuals, too. When I was in that corner of the Post Office which deals with our foreign mail services and international relations, it happened that I had frequently to cross the Channel for my own purposes, and I found I always gravitated to that end of the boat where they shoot the mail bags and parcel baskets down into the hold. I remember how every bump of bag or basket evoked a corresponding thump in my own breast, and how pained I was at the callous, heartless way in which the sailors threw the tarpaulin over the precious collection. Then and there I had no official concern in the matter; I was merely sounding my harmonic note to the Foreign and Colonial Branch. When I was transferred to the Telegraph Branch my private emotions were again affected. I could not, and cannot now, go down the high road without an eye on the telegraph wires and poles. I fall to counting the arms, to wondering why the poles are near here and far apart there, and to admiring the wisdom of Providence in always placing village schools near broken insulators.

The · Journal · of · Public · Administration

These, however, are wayward, irresponsible harmonics of mine. You of this society have the wisdom to collect and arrange your harmonics in tunes which you call technical papers and addresses. And—I may carry the figure a little farther—we are told by the musicians that the harmonic note is of vital importance because it determines at once the intensity and the quality of the primary note. If that be so, I think the value of this society is sufficiently vindicated.

It deals with telegraphs and telephones, and I purpose to take you away for a moment from the official or inside view of these things and to ask you to look at them from the public's point of view; to consider them as, what indeed they are, great instruments of human commerce—using the word commerce, if I may, in its older, more generous sense, to cover all and not merely business intercourse between man and man. Think of the advent of these instruments as forming a chapter in what I would call the spiritual history of material inventions. What do I mean by this spiritual history? Well, take the railways. When you read of the introduction of the locomotive and the railway track you read of Stephenson and Brunel and other justly honoured names. I cannot help thinking that in the conditions of the time there must always have arisen some Stephenson and some Brunel. Railways were invented simply because human nature could not put up any longer with the stage coach and the stage coachman. The stage coach—Cobbett's "box with an air-hole in it"—was uncomfortable, expensive, and slow; the stage coachman was a public nuisance. I know you will be thinking of the elder Mr. Weller, but you must remember that Dickens dealt in exceptions, and Mr. Weller senior was a glaring exception. Read the sober, matter-of-fact chroniclers of that time and you will find that the typical stage coachman was a tyrant to his poorer passengers and a sycophant to the rich. There came a time when the world could stand it no longer, and so they invented the railways.

Now turn to the telegram. The telegram was devised as a cure for what had become a devastating plague throughout the civilized world, known as the art of letter-writing. Far be it from me to speak ill of that art when an art it was. Among our artists in letter-writing some of the greatest names in literature are recorded. But unfortunately the general public got hold of the art, and when the general public get hold of an art, heaven help it! Think of the piano. I suppose the full tide of the art of letter-writing was in mid-eighteenth century when Miss Clarissa Harlowe and her friends filled eight closely printed volumes with their correspondence. Clarissa would get up at six o'clock in the morning to write a letter of five pages of print to Miss Howe, at eleven o'clock she wrote another, and after supper a third as long as the two others put together. Her friends said, perhaps a little mildly, that she had a "knack of letter-writing."

Technical Language

Letters had become too wordy, too pompous, too long. Flesh and blood could no more endure it. A surfeited world said something must be done. Something was done. They invented the telegram.

Now the telegram was explained upon its invention to Sydney Smith, who said, "Oh, yes, I see. It is a means of enabling Hallam in London to contradict a friend at Birmingham." A good hit at a notorious weakness of Hallam's, but not perhaps a comprehensive description of a telegram. A telegram is of course, as we all know, a letter. The law calls it, with strict accuracy, a post letter. For the public it is an express letter, a letter which reaches its destination as a rule more quickly than a letter in the mail bags. And it is a letter divested of all verbiage, all superfluities, a letter reduced to its quintessence.

It was not to be expected that people would remain satisfied with what was after all a mere modification of the old letter. They were soon asking for something really new. They got something really new in the telephone. Now I am, as it happens, officially wedded to the telegraphs, but I cannot help casting what I fear must be an adulterous eye on the seductive charms of the telephone. It offers you that choicest kind of human commerce, conversation. It brings people *almost* face to face. You have almost every element of conversation, the human voice, rapid question and answer, interruptions, exclamations, and even the opportunity of using those imprecations which some people call unparliamentary and others the salt of intercourse. The law, to which I alluded just now, says that a telephone is a telegraph. Well, so it is when you are thinking of the electrical means of communication; but we are not thinking of that, we are thinking of ends—not means. For the public the telephone is a thing apart, an almost uncanny thing. But it has one drawback. Your telephone conversation lacks the element of personal presence. As we all know, the personal element in conversation—gesture, facial expression, the glance of the eye—is often more important than the words themselves. I fancy, however, there is nothing at all absurd in assuming that in the course of time our electrical inventors will supply us with the means of transmitting by wire those missing elements of personal presence. I will even go further than that and look forward to a day when electricity will transmit our thoughts and moods without the tiresome encumbrance of words. When that happens this society will once more have to expand its title and will become the Telephone, Telegraph, and Telepath Society of London.

I have spoken of human commerce, and what else but human commerce is the object of the papers that we read here and the discussions that are held upon them? The question, then, has naturally arisen in my mind—what is the best way of attaining a perfect commerce through papers of this kind; in other words, what is the appropriate style for a technical subject-matter? My question is of course absolutely general and implies

The · Journal · of · Public · Administration

not even a side-glance at any individual. It is, I think, an important question that our scientific men, immersed in science as they are, and our practical men, "driving at practice," are too prone to neglect.

Now I said "What is the proper style?" and I daresay some of you may wonder at my use of the word. You may think that "style" is a word applicable to pure literature, to a poem or a romance, or a history, or an essay, but not to a scientific or a practical disquisition. If you do think that it will probably be because you are under the dominion of a very general error about style. So many people think of style as a kind of external ornament, as something stuck on. You will remember the story of the American who said he had finished building his house and was getting a man down from New York next week to put on the architecture. Style, whether in pure literature or in science, is not something "put on."

No one, I find, discourses about style without introducing a certain quotation from Swift. Referring to the Deist controversialists of his day, he spoke of "that quality of their voluminous writings which the poverty of the English language compels me to call their style." That is good Swiftian sarcasm, but as a matter of fact, if the English language were tenfold as rich as it is, we should still have to call every man's individual manner of expressing himself his style. So soon as you sit down to *express* anything, however scientific, however practical, at that moment you cannot help beginning to have a style.

A man's style being a part of his individuality cannot of course be prescribed for him any more than the shape of his nose or the colour of his eyes. It is the outcome of his temperament, his character, his intellectual life history, his taste, and I know not what else. But this individual style of his will have to work within certain boundaries and under certain conditions imposed by the nature of the subject-matter on which he is engaged. "The style is the man," yes; but the man must suit his behaviour to the occasion. There is a story of a priggish young recruit in the old India House, who said to a director, "Pray, sir, what style is preferred for official correspondence?" The director answered, "Young man, the style as we prefers is the humdrum." It would be indiscreet of me to suggest the speculation whether or no that director established a tradition in our public offices; I merely give the story as an instance of putting a perfectly legitimate question, the question of appropriateness of style to the subject-matter.

Our subject-matter here is technical. What is the speaker's or writer's object in that particular case? To transfer knowledge of certain facts and thoughts about those facts, without damage in transit, without travel stains, from his own head to other people's. His main object, then, is lucid exposition. Lucidity, I need hardly say, is a prime requisite of every style; but in expounding a technical, scientific, practical subject

Technical Language

I am not sure that lucidity is not the first and the next and the last requisite. We must see, of course, what this requisite of lucidity covers. Obviously there must be no useless ornament. I will give you an example in a minute of ornament that is by no means useless. There must be no surplusage of phrase and there must be strict economy (which, of course, means not parsimony but nice adjustment of means to ends) not merely in the language but also in the structure of our exposition. I fancy there are two especial pitfalls—obstacles, let me call them—to a perfect attainment of human commerce which beset us as writers of technical papers. The first is a result of the writer's deep immersion in his subject, and of his failure to put himself imaginatively in the place of other people not so deeply immersed. He forgets that "with such a being as man, in such a world as the present one," it is a point of wisdom to take as little as possible for granted. He becomes too complacently scientific. You will remember that the third book of *Gulliver's Travels*, in which Gulliver visited the island of Laputa, is one long satire upon scientific excess. A tailor in Laputa who measured Gulliver for a suit of clothes did it by trigonometrical survey. And so it is apt to be with the writer upon a scientific or technical subject. He has a tendency to explain complicated things in too meagre a way and simple things in too complicated a way, with the consequence that he flies over his reader's or his hearer's head. You know what they said to Monsieur Jourdain in Molière's comedy. "Do you understand Latin?" "Oh, yes," he answered, "but please go on as though I did not." And we, I think, are entitled to say to the writer of a technical paper, "Of course we understand all the ins and outs of your subject, but please go on as though we did not."

The second pitfall is very near the other. It is the defect of technicalism: the abuse of technical words and technical abbreviations. The chemist's assistant who said that "Life is not a bed of *rosae fol*" was guilty of technicalism. Technicalism, ostensibly an enrichment of our vocabulary, is in reality an impoverishment of our language. It debases the King's English into jargon. If I make special mention of abbreviations it is because these seem to be the darling sin of societies. You remember that man who was described as P.V.P.M.P.C.—explained in a footnote as "Perpetual Vice-President and Member of the Pickwick Club." I prefer an example from fiction, because examples from actual fact are legion and any choice might seem invidious.

Technicalism is notably among the indiscretions of youth. I suppose the younger members of societies—younger writers generally—are more prone to exude technicalities because they have so recently been filled up with them. They remind one of the infant in a well-known verse of Boileau's—

Sentant encor le lait dont elle fut nourrie.

There is also, some vague idea of freemasonry in this addition to

The · Journal · of · Public · Administration

technical language. It seems to be often used as a kind of shibboleth to separate the people inside the pale, who understand, from the people outside who do not. If that be so it is clearly in deliberate opposition to what we have been seeking—the attainment of a perfect human commerce. Anyhow, I suggest we shall be justified in saying to the technical writer, in Shakespeare's phrase, "Prythee, deliver thyself like a man of this world."

And now let me conclude with just three examples of what I think may be regarded as supreme success in the handling of technical subjects.

My first is an example from Astronomy. There is a book called *Entretiens sur la pluralité des Mondes*, by Fontenelle. I daresay not everybody here has read Fontenelle. But, believe me, I have no idea of teasing you with recondite names. These Conversations of Fontenelle's, or at any rate copious extracts, are included in Dent's Shilling French Classics, and so are accessible to all of us. Fontenelle, I may just mention, lived to within a few months of a hundred years, a circumstance of high encouragement to the readers of technical papers in this society, and this little book of his was published in the early sixteen-eighties. It was characteristic not only of the man but, as a matter of course, of the age. If you ask yourself what were the chief social currents of that period I think you will find that they were gallantry and scientific curiosity. For the gallantry, you have Sir Peter Lely's pictures of the Court beauties at Hampton Court; for the scientific curiosity, you have the foundation of the Royal Society. You will find both currents running strong and side by side in *Pepys' Diary*. You may think of them as meeting in Charles's Palace at Whitehall with the reigning sultana in one wing and his chemical phials and retorts in the other.

Fontenelle wanted to explain the main facts of astronomy to the people of his day. How did he set about it? He imagined himself on a clear starlit night in the garden of an old château, talking to a beautiful marquise. In such a scene and in such company his thoughts inevitably tend to gallantry, but the lady, with the tact and grace of her sex, switches him off to the other current. "No," she says, "tell me about the moon." And he tells her about the moon and, when again giving signs of relapsing into tenderness, is desired to tell her about the earth and the sun and so forth. You must not be surprised that an accomplished marquise of those days needed instruction about the movement of the earth round the sun. Only a few years earlier Pascal himself, the great Pascal, laid it down that the sun went round the earth, and more than half a century later, if you read your *Tristram Shandy* carefully, you will remember that Mrs. Shandy went to her grave without knowing for certain whether the sun went round the earth or the earth round the sun. Mr. Shandy had told her a thousand times, but she always forgot. She could never have forgotten if she had been told with the delightful art of Fontenelle.

Technical Language

He catches you on your romantic side, lures you with the expectation of a smooth tale of dalliance, and lo ! you find you have mastered the whole Copernican system of astronomy. This was the example I had in mind when I said that ornament in technical exposition is not always useless. But before you indulge in it you had better make sure you are a Fontenelle.

I take my second example from one of the most highly technical of subjects—Currency. You know how dry and disgusting the average political economist continues to make that subject ; but turn to Swift's *Drapier's Letters to the People of Ireland on Wood's Halfpence*—an appeal to the Irish to boycott certain base copper coinage imported from England. You will find the subject of currency so clearly and forcibly (and, let me add by way of caution, now and then sophistically) explained in this pamphlet that it is a sheer joy to read it. Of course Swift was not writing merely to explain but also to persuade, and he ever and again breaks out into fierce gusts of passion and indignation, but he never forgets his main business of lucid exposition, never uses a word or an argument or an illustration beyond the understanding of the plain man. Indeed, Swift always scrupulously delivered himself like a man of this world. Though we cannot hope to write like Swift, we can all try to follow him in that.

My last example is from the Differential and Integral Calculus, which I daresay a good many of us here remember as having been made a kind of mumbo-jumbo mystery to us in our youth. Well, only the other day I came quite casually upon a little shilling book, published by Macmillans, called *The Calculus Made Easy*, by F.R.S., and the book does absolutely answer to its title. I was astonished at the ease with which one took in what had been made so mysterious, so obscure, so repulsive with "insipissated gloom," in the old days. This is done largely by just substituting ordinary language for technical signs and technical terms. At the same time there is a pleasant vein of jest in the book at the expense of the mystery-mongers whom the writer desires to supersede. It reminds me of a famous saying by a woman with a very good head and a very bad reputation : Ninon de l'Enclos—" *La joie de l'esprit en marque la force* " ("Joyousness of the mind is the mark of its strength"). So it is. The best proof that you have really mastered your subject is to show yourself able to play with it.



Statistics in Administration

By S. P. VIVIAN

[A lecture delivered at The London School of Economics, under the auspices of the Society of Civil Servants.]

WHAT I have to say to you is derived from administrative experience, from the experience which I have had, in common with the great majority of Civil Servants, of service in a number of administrative departments. In the course of the duties which I have been endeavouring to perform during the last year or so, I have had, however, to attempt to draw upon that experience—to mobilize it—to an extent which may be less usual; since in the capacity of a sort of entrepreneur of statistical production I have had to consider the demand for different sorts of statistics, to watch the markets, as it were, and to form my own conclusions as to the utility and place of statistics in administration. What I have to say then will be very strictly from that angle.

I want first to draw your attention to certain aspects of statistics which are relevant for the purpose of my remarks, and I will ask you to bear with me in reminding you of them since they are probably better known to you than to myself. You are well aware that the word "statistics" itself is in fact derived from the word "state"; and connotes all matters in connection with the latter. The word, originally, I think, translated from the German, was glossed by Sir John Sinclair in 1790 as "enquiries respecting the population, the political circumstances, the production of a country and other matters of State." That is to say, it coincided with what I imagine we should now call social science; and, as such, was expounded either verbally or numerically. The causes which led to the evolution of the term into its present sense arose out of the limitations of social science. In the case of phenomena resulting from a multiplicity of causes, investigation may often be conducted by means of suitable experiments so devised as to screen off the effect of certain causes and to enable observation to be directed to the operation of the residual cause or causes thus singled out for attention. Experiment is thus a convenient form of enquiry. In physics and chemistry experiments may be arranged in order that the effect of the particular cause which for the moment is under observation can be examined without the disturbing effects of other causes. But in social science experiments cannot be staged. The observer of social facts cannot experiment, but must deal with circumstances as they occur outside his control. In the case of meteorology, similarly, experiments are not possible; you cannot

Statistics in Administration

stage a depression moving westerly from North-eastern Europe. The term *statistics* thus became identified with the alternative method of enquiry as being the method *par excellence* of social science, viz., statistics in the modern sense.

Now, a further point I want to make is that for Civil Servants, statistics, notwithstanding their modern sense, are limited in content to statistics in their primitive sense. For those who serve the State, interest and purpose are, of course, directed to matters of State and affairs of the community; and the second reason why the content is so limited is that the material on which Civil Servants work is almost invariably drawn from administrative activities arising out of the operations of State responsibility. I want to make both points at this stage, since what I am concerned with in this address are the aspects of statistics affecting the duties of Civil Servants; and, primarily, the governing conditions (to which I shall later refer) arise largely out of the facts that the statistics in question relate almost wholly to the field of social science, and that social science is a science which cannot be investigated by experimental methods.

I should like to distinguish between two functions of statistics—(1) which I may roughly call information or intelligence, and (2) which, for want of a better phrase, I will call constructive interpretation. By that distinction I do not mean merely the distinction between the statistical presentation of facts and the use of statistical method. The former may, of course, involve the provision of information dealing with future conditions; and in such a case the application of statistical method will be essential in order to provide the information. Similarly, in the case of intelligence relating to past or present facts, the use of statistical method may be necessary to eke out deficient data, or to derive information from data bearing indirectly. By intelligence I mean the function of providing whatever statistics may be useful to the statesman or administrator in the decision of policy; and by constructive interpretation I really mean the use of statistical material and method for the purpose of supplying, in respect of a particular question, a scientific solution which will be not merely helpful in the selection of a policy but in some sense a policy itself. I realize that these two conceptions do not correspond with any actually separate and clearly defined provinces of statistical function. They are, perhaps, types of extremes, which approximate to each other by infinite gradations. They can be even regarded as subjective attitudes of mind, the self-same act of statistical service falling into one or the other category according as it is rendered as a contribution of material or a suggestion of policy. But as subjective attitudes of mind govern the subject's conception of his functions, and thus his performance of the functions, the antithesis is nevertheless a real one and worthy of exploration.

The · Journal · of · Public · Administration

There can be no doubt that the function of intelligence, in the sense in which I have described it, falls wholly within our duties, and that it is incumbent upon us—those of us who are engaged in the statistical branches of the Civil Service—to exploit to the utmost the resources of statistical material and method in order that Ministers may, as far as we are concerned, have in their possession the best available information when arriving at decisions on matters of policy. It is also clearly within the function of the Civil Service to provide statistical information for the public, though the purposes for which it is provided will differ from the case of information supplied to the Government itself. But whether the information is provided for the satisfaction of public interest, or as a measure of education, or, perhaps, as the account of its stewardship which the administration would naturally render to the people, there can be no doubt as to the propriety of the inclusion of that function in the duty of the Civil Servant. But the question whether our duties comprise anything under the second head is a more difficult one. I am going to say that they do not, and to attempt to give my reasons. My views may not be agreed to, and if I am wrong, I hope I shall be sufficiently provocative to promote a lively and valuable discussion to prove me so.

Now the case for the inclusion of that function in our duties is not, of course, demolished by reference to the well-established doctrine, fully accepted by all Civil Servants, that policy is for Ministers. That is not sufficient in itself. Clearly it is the duty of the Civil Servant to tender for what it is worth the best advice on any question he is able to offer; and if statistical research appears to point with great cogency to a particular policy, should it not be put before the Minister as advice? To that proposition I should be inclined to say "yes" if I thought that such advice could in practice be of use, or be made use of by a government. My reasons for doubting this are that in the first place there are always a number of other considerations not entertained by statistical science on which policy is largely decided, and that the relative weight which could ever be attached to a statistically determined and statistically justified policy would seldom be great enough to make it worth while for that kind of advice to be regularly organized and regarded as an ordinary duty of the Civil Servant. I am inclined to go further. Assuming a case where no conflicting considerations arose, I doubt if in such a case a policy solely justified by statistical science could be accepted and adopted as such. Nay, further still, even where all the non-statistical considerations supported the policy, I am inclined to doubt that it could be advanced as a practical measure a whit further by the fact of its scientific foundation. On the contrary, I am inclined to think it would more probably be prejudiced thereby.

For the reasons of that apparently pessimistic belief I must go rather

Statistics in Administration

deeper. The root of the matter is that government is ultimately by consent, whether consent or the absence of consent is expressed on the floor of the House, at the polls, or through the Press. It cannot be left out of consideration. That being so, I think we have to consider what the attitude of the public is to science and statistical science in particular. The public itself is not very susceptible to the development of science, and this is not wholly unnatural. It knows that doctors disagree very frequently; it knows that discoveries and theories, although their main substance may be confirmed by subsequent experience, frequently undergo modification from their original form. It is true that the public has very great veneration for some scientific workers and accepts their utterances implicitly; but if you look at those cases, it will often be found that they work in fields which do not impinge directly on the life of the community. The name of social statistics does not stand very high in public regard and confidence. Distrust may be fostered by the very fact that, *ex hypothesi*, the truth of a statistical conclusion cannot be demonstrated by experiment; but a more potent cause is the consciousness that the people, we ourselves, our lives, our conditions, our relations with one another, possibly our liberties, are the subject-matter of social science, and run the risks involved in the premature application of any incompletely considered theories.

I do not mean or believe that the public is impenetrable by scientific progress. That is contrary to the facts, though some kinds of scientific truth only live in the narrow circle of the scientific community and never pass beyond it. But the public has its own way of testing scientific progress and digesting it, as it were, before giving it practical acknowledgment and support. Perhaps the Chairman will forgive me if I refer for the sake of illustration to the profession of which he is so distinguished a member, and compare the actuary and statistician as bearing upon the regard in which they are respectively held by public opinion. The statistician is not necessarily an actuary, of course; but it is true, I think, to say that an actuary is a statistician of a specialized type. The statistician is in the public mind a sort of Ananias; statistics are a bad joke. But the actuary is a prophet of pontifical utterances inducing an awed and religious conviction. I have no doubt that this extreme confidence is well placed, though it is sometimes offered in spheres in which the actuary himself would disclaim any jurisdiction. But it is instructive to observe how the hardest-headed business men, the most dogmatic controversialists, will surrender their judgments with both hands before the oracle. The reason is easy to find. The public know that the actuary occupies a niche—not, I believe, an unremunerative niche—in the structure of commerce. They infer that business men do not pay for services which are not of real value, and in that way they subconsciously get to the bottom of the matter, that it is by the advice

The · Journal · of · Public · Administration

of the actuary that a substantial body of important commerce has been enabled over a long period of years to maintain itself in a sound and profitable fashion.

That is at the bottom of the case; and I believe that statistical science must prove to the community its value in application to business and industry before it can command a similar share of public regard and confidence. And I further believe that until the science of statistics has succeeded in commanding a greater share of public confidence it cannot be a useful weapon in the armoury of the Government's advisers (as distinct from its intelligencers) or exercise any material influence on Governmental policy. If this be admitted, it seems to follow that under the very utilitarian conditions imposed upon the Civil Service, the provision of advice of which a government can make no effective use, the supply in support of that advice of reasons which would carry no weight with the public, is bound to be regarded as unprofitable, and that scientific statistical research in the service of administration cannot, so long as those conditions prevail, be recognized as an accepted part of our functions or as otherwise than a luxury.

Let me, however, at the same time, lest I be misunderstood, reprobate, with the greatest emphasis of which I am capable, the belief which I have met in the minds of many so-called practical men that research without any immediate and direct practical purpose is valueless. On the contrary, all the experience of scientific progress and discovery is against this view, and the industrial world is realizing with increasing conviction that more is gained from the light incidentally thrown upon its problems in the pursuit of pure science than can ever be achieved by the best-equipped and most intelligent attack upon them direct. But while paying the fullest homage to statistical research, I conceive, for the reasons stated, that its future does not rest with the Government statisticians, but with the development of statistical science outside the Government service; and the question thus arises, in what way can the Government service best contribute, within its proper limitations, to the advancement of statistical research. At this point we come to the province of Government statistical publications as distinct from the domestic sphere of departmental service. Clearly we can assist with material, and can express our sympathy by consulting the interests of research students in the arrangement and presentation of the matter available, subject, of course, to broad general limitations of economy. The next question is, should Government statisticians assist by taking a hand in interpretative work published for the guidance of brother statisticians? It is perfectly clear that they can do it better in some respects. They know the material—its origin, elements of bias, qualifications and limitations. The statistician who knows, as he ought to do, the conditions of the administrative work out of which his material

Statistics in Administration

has been quarried, is bound to be in a better position to use it than the statistician who takes it from printed tables. He has precisely the same advantage as the experimental researcher in interpreting the results of his own observed results, instead of founding his work upon the recorded experiments of others.

Notwithstanding, however, these great advantages on the side of the Government statistician, there may be difficulties where the field of research is the subject of any Government responsibility, and particularly also if it is involved in public controversy. In such a case the published conclusions of a responsible public servant cannot be divorced from policy. Interpretation is bound to have a bearing upon what things ought to be done, or how things ought to be done, and thus to challenge direct comparison with what the Government is or is not doing. That a Government should be confronted with criticism based upon the conclusions of its own officers may or may not be embarrassing to the Government, but it must certainly be embarrassing to the officers themselves. It happens, of course, that there are still some fields of enquiry which are not as yet the subject of Government responsibility, but outside these it behoves us to walk very warily in statistical interpretation. Difficulties are not limited to interpretation, and they may arise in expository comment and even in pure presentation. Let us assume two extremes. Let us assume, in the first place, that the Government statistician will never deliberately publish any official interpretation which conflicted with the views of the authority set over him. Let it be agreed, on the other hand, that no Government would ever expect a Civil Servant, a Government statistician, to disguise or repress the facts which are about to be presented by him to the public in the course of his official duties. We can assume those two extremes readily, but at the same time there is ample room between them for delicate situations. From our observation most of us can conceive it to be possible that comment in a stock form upon some particular statistics which at one time appeared so colourless as to be uninteresting, might on another occasion—if in the meantime there had developed a new Government responsibility—assume, in these altered conditions, the nature of a controversial criticism of Government policy. The position recalls what I gather to be a new practice in stage lighting; a white cloth is exhibited which under one light will show drab, but which can be made to glow with a succession of brilliant colours under changing illumination. The bald statistical comment may be likened to the sheet, the varying light is the changing political atmosphere, which may change from week to week and even from day to day. The statistical officer who wishes to walk delicately must be in as close touch with current administration as the administrator himself.

Governments may, of course, reasonably expect that if the statistical

The · Journal · of · Public · Administration

Providence cannot help the Deacon, neither will it help the Bear. As between the statistical officer and his administrative colleague sufficient closeness of touch should enable their respective points of view to be accommodated. The administrator should recognize that the statistician is working under conditions and to considerations which cannot always be subordinated; the statistician, on the other hand, should search his own heart and assure himself that the truth for which he is zealous is not merely the truthfulness of the candid friend. It is not a question of subordinating truth to expediency: I suggest that it is not in the interests of any body of official statistics that they should become involved in political controversy. On whichever side the official statistician might by misfortune find himself ranged, colour would be given to partiality which would be fatal to the acceptance and credit of his work. Accordingly, without ruling out interpretative contributions by official statisticians to statistical science outside the service, I think that if fields of enquiry subject to Government responsibility are not to be entirely excluded, research in those fields should be undertaken only with the greatest caution, and with the fullest regard to the considerations I have mentioned. This will apply both to the work included in official publications, and in some degree also to the part played by official statisticians in their private capacity in the proceedings of scientific institutions.

I thus conclude generally that the functions of the Government statistical officers are—

- (1) To provide intelligence for the service of the Government
- (2) To provide information to the public.
- (3) To foster, so far as possible within certain limits, the development of statistical science outside the service by providing suitable statistical material for research, and
- (4) To contribute, to a very limited and qualified extent, to the elucidation of scientific statistical problems outside the service by their own interpretative work.

I believe that as a matter of fact this approximates to the actual practice and procedure in the Civil Service; and, if so, what I have said is neither revolutionary nor novel, but merely amounts to an attempt to analyse the reasons which in my opinion are responsible for the limitations actually in existence.

Now passing from analysis to constructive questions—the first question before us is the direction in which improvement is either necessary or possible. The alternatives are, roughly speaking, the statisticians or the statistics. So far as I have observed the matter, the demand of statisticians for statistics always exceeds the supply: there are more statisticians awaiting statistical material than there is statistical material awaiting statistical treatment. I do not think I have any suggestions to make with regard to the Government statisticians. Whatever may

Statistics in Administration

be the quality and competence of statisticians outside, the mere enumeration of the distinguished gentlemen who serve or have served the State in that capacity will be a sufficient assurance that all is well in this respect. But when I come to the supply of statistics I find, I believe, room for improvement. I know that the appetite of the statistician for material is insatiable; but I feel certain that if the provision of statistics were given its proper place in the administrative scheme, the supply of reliable material could be increased with very little, if any, additional expense. More material will mean not only more statistics but better statistics, because the need for the intensive culture of inadequate material would be less insistent, and recourse could be had to data bearing more directly on the subjects concerned. Statistics are ordinarily a by-product of administration; apart from the few instances in which statistics are expressly collected at the direct cost of the Exchequer, we have to rely upon what the administrative machine will turn out in the course of its work. But they are frequently an accidental by-product not originally planned in the establishment of administrative machinery. What usually happens is this: administration proceeds without regard to statistics until information is needed in some emergency. The statistician on being appealed to probably asks that the administrator will obtain some special return. This is found to be very expensive and troublesome; and the statistician gets the reputation for being a nuisance, when the particulars required might have been provided without trouble had statistical considerations been taken into account by the administrator in the constructive stages. Forethought in the precise framing of machinery, in the prescribing of the routine accounts, returns, etc., even a little attention to the actual forms in use would often have furnished what is afterwards needed and found unobtainable. I do not say for a moment that the character of the administrative machine should be determined by statistical requirements to the subordination of any real administrative purposes; but what I do say is that statistical requirements should be borne in mind at the proper time and included in the organization to the full extent possible. Accounting requirements have to be so allowed for, and there seems no reason why statistical requirements, even if they cannot receive equal consideration, should not at least be entertained, other things being equal, when administrative machinery is being organized or reorganized.

Now this is an administrator's job; and I do not think that it is at present being done for the reason that there is usually too complete a severance between the administrator and the statistician. The former pursues his duties without much regard to the equipment or needs of the statistician until the emergency arises and there is mutual disappointment. I need not point out that the interests of the two, the administrator and statistician, are mutual, and that the statistician wants the

The · Journal · of · Public · Administration

material in order that he may satisfy the demands of the administrator. The remedy lies with the administrator; and in my opinion departmental organization should secure that in the construction or reconstruction of administrative or executive machinery, statistical needs, no less than accounting needs, should be kept in view from the outset. If this were done, I believe most sincerely that the provision of statistical material for all purposes could be greatly increased, improved and cheapened, with the valuable results that administration would be enabled to proceed on sounder and more reliable foundations.

* * *

Generosity

"THE United States is now paying an average of $4\frac{1}{2}$ per cent on all the securities represented in the transaction. To lend to the British Government the vast sum involved, the United States borrowed the money from its own people—a small portion of it, in the first Liberty Loan, at $3\frac{1}{2}$ per cent, but the great bulk of it at $4\frac{1}{2}$. The British Government now agrees to pay upon it interest rates of 3 and $3\frac{1}{2}$ per cent. The annual loss in interest to the American people will be about one per cent on the enormous amount of \$4,746,862,560.29, principal and accrued interest; and the loss will continue for a long period, since it will be many years before the amounts which the British Government agrees to pay on the principal will establish the interest balance.

"This is plainly a large gift from the American people to the British people, and it will, as we have said, establish a record in international business proceedings. The American people can charge the gift not to profit and loss, but to Magna Charta, to Plymouth and Jamestown, to the benefits of self-governing institutions and the Common Law, to the King James Bible and Shakespeare and Milton. This solution, when it is put through, will establish a new and very solid ground for more centuries of peace and amity between Great Britain and the United States."—*Boston Transcript*.

The Sphere of the Specialist

The Sphere of the Specialist in Public Administration

BY SIR FRANCIS L. C. FLOUD, K.C.B.

*[Being a Paper read to the Institute of Public Administration
on the 11th January, 1923.]*

THE subject on which I have undertaken to speak to you was chosen for me by the authorities of the Institute, and the only claim I can have to deal with it is that I have for nearly thirty years been employed in a department which has, in a greater degree than many others, to make use of the services of specialists for the efficient conduct of its work.

I define a specialist as a man or woman who has been trained for some other calling or profession than the Civil Service and who possesses technical or professional qualifications and experience which do not ordinarily form part of the normal equipment of every public servant. In one sense every Civil Servant should become a specialist in the particular branch of Public Administration in which he is engaged, but I assume that for the purposes of this paper a specialist is one whose qualifications are different from and in excess of those which can be gained in the ordinary course of work in a Government office.

The first consideration that occurs to me is that the sphere of the specialist in Public Administration has greatly increased in recent years. When I entered the Civil Service nearly thirty years ago the number of specialists employed in the various departments was quite small and the varieties very few. The Ministry of Agriculture employed a staff of veterinary surgeons to diagnose the scheduled diseases of animals, the Local Government Board had a small number of doctors acting as medical inspectors, the Office of Works employed a few surveyors in connection with their responsibility for Government buildings, and many departments had one or more barristers or solicitors as legal advisers. With these exceptions, practically the whole of the Civil Service, apart from the Post Office (which has always been in a separate category and with which I do not propose to deal), was composed of men who had entered the Service straight from school or college, usually after competitive examination, though a few posts in the Board of Education and elsewhere were filled by nomination. It was more or less a matter of chance whether a man found himself sent to Somerset House, or to the Local Government Board, or to some other department. In those days, therefore, the sphere of the specialist was a narrow one, his work was

The · Journal · of · Public · Administration

confined within well defined limits, and no special problems arose as to his relations with his official colleagues in the administrative and executive branches of the Service.

At the present time the position is very different. We still have the ordinary rank and file of the Service normally recruited by competitive examinations designed to secure the cream of the products of secondary and university education, and in theory freely interchangeable between one department and another. But side by side with them we have a large and increasing army of specialists concerned with almost every form of human endeavour and drawn from almost every profession, and these men are necessarily tied down to definite departments within which the work arises for which their special qualifications are required.

The cause of this change is to be found in the increasing tendency on the part of Parliament to regulate and control the lives and interests of its citizens for the good of the whole community and in the interests of social reform. Thirty years ago this country was probably less governed than any other country in Europe. Now it would be difficult to find any country whose inhabitants are more thoroughly inspected, controlled, and governed from the cradle to the grave than our own.

The whole panoply of Care Committees, Infant Welfare and Maternity Centres, Insurance against Sickness and Disablement, Unemployment Insurance, Treatment of Tuberculosis and Venereal Diseases, Provision of Houses and of Small Holdings, Medical, Scientific, and Industrial Research, Development of Overseas Trade, and Provision of Old Age Pensions, as well as the enormous development of Free and State-assisted Education, has all been assumed by the State in quite recent years. The result has been that there has been a great increase in the numbers engaged in the work of Public Administration both under the central Government and under local authorities, and that in these increased numbers it has been essential to include a large number of specialists of various kinds.

It is not my function to discuss whether the change which, as I have indicated, has taken place in the nature and personnel of our Public Administration is beneficial or not. We have to accept the situation as laid down for us by our political masters, and we are only concerned to endeavour to see that it works as smoothly and harmoniously as possible.

It is obvious, however, that the greatly widened sphere of the specialist in Public Administration has created a number of problems which need careful thought and attention on our part, and I propose to indicate some of them in the hope that they will be taken up and developed in subsequent discussion by others whose experience or point of view may be different from my own.

In the first place it may be pertinent to call attention to one feature of our Public Administration which, so far as I know, is peculiarly English.

The Sphere of the Specialist

It is said that the English nation is proverbially suspicious of experts, and whether that is so or not it is certainly the case that it has been almost invariably the practice that the members of the Government of this country are selected not on the ground of their expert knowledge of the department of which they take charge, but because they are men of affairs who are capable of coming to decisions, not on their own knowledge, but on the evidence submitted to them by others. It is no doubt this practice that accounts for the frequent success of lawyers in political life owing to their experience of weighing evidence and their ability to state a case on information supplied by others. On the whole, this system has worked well, largely because each new Minister, however ignorant he may be of the work of his office, can rely on finding a body of disinterested and experienced officials who can supply him with all the evidence and information he needs, and can advise whether any policy he proposes is practicable. Indeed, I am not sure that if the secrets of our hearts were revealed we should not say that we prefer to have an open-minded though ignorant Minister to one who comes to his office with a modicum of knowledge and the belief that he knows more than his permanent advisers on all the problems of his department. At any rate I will express my own view that whatever may be the sphere of the specialist in Public Administration it should not extend to the political sphere. I should be sorry if it was considered necessary that the Minister of Health must be a doctor, the Minister of Agriculture a farmer, the President of the Board of Trade a merchant, or the First Commissioner of Works a builder, and I am satisfied that the instinct of the British nation has been sound in standing for civilian control of the fighting departments, though that is a feature of our constitutional system which foreigners find it most difficult to understand.

At the same time it is interesting to note that the fighting departments form an exception to the usual practice of Government departments in regard to the use of specialists. Whereas in most departments specialists are mainly employed in an advisory capacity, in the fighting departments it has always been the case that the administrative and executive control has been in the hands of specialists in the form of military and naval officers, subject only to the control of the civilian Secretary of State. It is true that this position may be modified by the degree of financial control which is exercised by the civilian finance officers of the fighting departments, and when such financial control is in the hands of a man like Sir Charles Harris, no one could deny that it is a very formidable factor in the decision of any question of policy. But, as a general rule, it is inevitable that the Ministers in charge of the fighting forces should take the advice on questions of military or naval policy from the specialist officers who are at the head of their departments, and not from the non-specialist Civil Servants who are subordinate to them.

The · Journal · of · Public · Administration

If we enquire into the reasons which have led to this exception from the usual practice, I assume that they are to be found in the fact that in dealing with disciplined forces it is regarded as essential that all orders should be issued and full executive control exercised by officers who can command discipline.

If that is so, it is obvious that the same consideration does not apply in the case of the work of the civil departments, and it clears the way for the consideration of the important question whether the sphere of the specialists in those departments should extend to the full administrative and executive control of the work on which they are engaged.

This is a question of growing and serious importance which deserves the careful thought and attention of the Institute of Public Administration. The problem of reconciling and settling the claims and status of the lay and specialist servants of the State is one which must occupy much of the time and thought of every Civil Servant who is in any degree responsible for the organization of his department. I know of no more difficult problem, nor one the sound solution of which is more essential for the efficient conduct of the public service.

It cannot be denied that with the growth of the number of specialists in Government service there are elements of possible danger and friction which ought to be faced and obviated. The Civil Service has always been inclined to regard itself as a very close corporation, and the rank and file of ordinary Civil Servants are apt to look with some suspicion on outsiders who are introduced into the Service otherwise than through the strait gate and by the narrow path of competitive examination, which cannot as a rule be the door of entrance for specialists. On the other hand, I think it is true that many of the specialist officers consider that they are kept in a position of undue subordination by the administrative class of the Service, who have not the technical knowledge which in the opinion of the specialists is essential in order to arrive at correct decisions on the administrative problems involved.

We are brought, therefore, to consider whether the sphere of specialists should be confined to advice on questions referred to them, or whether they should be placed in a position of control, subject of course to Ministers, and be given executive power to direct the carrying out of whatever policy is decided upon.

It is probable that my own views on this subject will not be regarded as acceptable to the extremists on either side, but they are the result of a good many years' experience, and I believe they have been arrived at without prejudice. I have not myself had the benefit of a scientific education or a specialist training, but I yield to no one in my respect and admiration for those who have, or in my conviction that the government of the country cannot be carried on under modern conditions without depending largely on the services of specialists. At the same time I

The Sphere of the Specialist

have a firm belief in the value of early years of training in a Government office, often on duties of a routine and inglorious character, as the best possible preparation for dealing with the problems of administration. I think that the truth of this belief was strikingly emphasized during the war when we saw so many of the Second Division Class, who had previously been engaged on such work as statistics or accounts, rising to positions of responsibility in which they had almost daily to make decisions which, before the war, would have been considered of sufficient importance to be placed before the Cabinet. The machinery of government has become so complex and is so different from the conditions in outside life that I doubt if the possession of even the highest technical qualifications can, as a rule, compensate for the absence of an early training in the working of the Government machine.

I cannot help feeling also that, as a general rule, the specialist is rightly so enthusiastic about his own particular work that he is in danger of lacking that sense of proportion and that recognition of political, financial, and practical limitations which every administrator must learn to possess.

My conclusion is, therefore, that, as a general rule, the sphere of the specialist should be mainly advisory rather than executive, though I recognize that there must always be exceptions, both as regards particular individuals and as regards certain branches of work. Everyone is familiar with instances of men who unite specialist qualifications with conspicuous administrative capacity, but I am convinced that on the whole the efficiency of the public service would be reduced if executive authority was normally and universally placed in the hands of specialists. Any such change would alter fundamentally the conception of the permanent Civil Service as we have hitherto known it, and it would undoubtedly impair the prospect of recruiting to the ranks of the Civil Service the pick of the products of our educational system. I believe, moreover, that from the point of view of the specialists themselves a change of existing practice would be disadvantageous. Executive responsibility is a burden as well as a privilege, and it is a burden which, at any rate in the realm of science, is not likely to facilitate research or the pursuit of knowledge for its own sake. In the case, moreover, of specialists in such departments as the law, medicine, architecture, or land agency the assumption of administrative and executive functions has the effect of withdrawing the officer concerned to a large degree from the active exercise of his specialist functions and thereby renders him progressively less valuable as a pure specialist.

While, however, I believe that it is wise to separate administrative and specialist functions and to provide for different methods of recruitment and separate ladders of promotion, subject always to some interchange in exceptional cases, I believe also that the question is one which we should be wise not to attempt to delimit with too much uniformity

The · Journal · of · Public · Administration

or exactness. We English are an illogical nation, we have built up our civilization without any attempt to reduce our constitutions to writing, and we have, as our critics tell us, an incurable habit of trusting to muddling through all the problems that confront us. But, at the same time, we are an intensely practical people and we might say that *Solvitur ambulando* is our national motto. Personally, I think it is a good motto, and consequently I should never be anxious to attempt to settle controversies by exact definitions or by the method of finding a formula, which appears to be the object of most of the international conferences since the war, but which when found does not seem to carry us any further on the road to peace and prosperity. The spirit is more than the letter or the written word and the problem of the specialist in public administration depends far more upon cultivating in all ranks of the Service a spirit of goodwill and mutual co-operation than upon any precise delimitation of functions. What we have to aim at is harmonious team work, and if that is present the elements of possible danger and friction in the relations between lay and specialist Civil Servants will disappear.

At the same time, if specialists are to be mainly employed as advisers I consider that there are certain conditions which they are entitled to demand. In the first place they have a right to demand that their advice should be sought. I have known cases in which administrative officers have come to decisions on technical questions without ever consulting the technical advisers of the department. That is clearly indefensible and may lead to serious mistakes being made. But if specialists are entitled to be consulted are they also entitled to claim that their advice must be taken and acted upon? Here I think we must distinguish between two different classes of problems. A specialist may recommend that a particular policy should be adopted by his department. In such a case he is not entitled to claim that his advice must be taken. Wider considerations than the intrinsic merits of the proposal have to be weighed, and it may be found that what is desirable is not expedient, and that consequently the advice of the specialist must be rejected. For instance, if I may take an imaginary example that might arise in my own department, we may suppose that, in order to check the spread of wart disease in potatoes, which is one of the statutory duties of the Ministry, a proposal is made by one of our technical advisers that an order should be made prohibiting the import of seed potatoes of susceptible varieties from Scotland. It might be true that such an order would be the only effective means of absolutely preventing the introduction of disease, but, on the other hand, such an order might irretrievably damage the potato growing industry of some parts of England to an extent far greater than would be caused by the possible introduction of disease. In such a case the final decision must be made by the administrative authorities of the department, subject to the Minister's approval, and the

The Sphere of the Specialist

specialist will have no reasonable ground for complaint if his proposal is rejected.

The other class of case is where a policy has been decided on, and a question arises as to the best method of carrying it out. If such a question raises technical issues the specialist advisers of the department must be consulted, and in such a case their advice ought, save in very exceptional circumstances, to be taken. To take an example, again, which might arise in my own department. Suppose that it was decided on purely financial grounds to abandon the policy of slaughter in cases of foot-and-mouth disease, and to adopt instead the policy of isolation, treatment, and cure. In such a case the decision as to the period of isolation, the methods of treatment, and the specifics used should be taken without question on the advice of the technical veterinary officers of the department, and they would have very reasonable cause for complaint if their advice was overruled by a lay administrator. Similarly, in the numerous cases which arise in every Government department when reference has to be made to the legal adviser of the department for an opinion as to the interpretation of an Act of Parliament or as to the legality of a course proposed to be taken, I cannot imagine any sane administrative officer doing anything but accept as final the opinion given. Indeed, as we at the Ministry of Agriculture know particularly well, it is impossible to over-estimate the influence which a wise, experienced, and tactful legal adviser exercises over the whole range of policy of the department without having any executive power. It only requires time before other kinds of specialists, if they are equally wise and tactful, acquire a corresponding degree of influence.

Having discussed, however summarily, the function of the specialist, I pass on to say a few words about recruitment. It is clear that as it is necessary to enlist the services of specialists, who must possess technical training and actual experience of some particular profession or calling, they must be recruited at a later age than the administrative and executive classes of the Service, and, as a rule, by some other method than competitive examination. At the Ministry of Agriculture we aim at recruiting for our technical inspectorate young men of about 28 years of age who have taken a degree in science at the university and have subsequently had some years' experience of farming or land agency. Applications are invited by public advertisement and the selection is made by a Departmental Selection Board which includes a representative of the Civil Service Commission. It is hoped that this method will establish a career and a ladder of promotion for specialist officers by which they will have the opportunity of rising to the highest technical posts in the department, and which will obviate the necessity of having to go outside when vacancies occur in those higher posts. Whether this will be so or not only experience can show. It depends largely upon whether the young specialist

The · Journal · of · Public · Administration

officers are able during their Government service to add to and develop their specialist qualifications and experience to an extent comparable to that which would be the case if they were in private practice or employ. It will probably be the case, however, that instances will occur when some higher technical post may have to be filled by the appointment from outside of a man who has gained a pre-eminent reputation as a specialist, though I hope that such outside appointments will not have to be so frequent in the future as they have been in the past. In spite of many conspicuous examples to the contrary, there are obvious risks in the introduction of men of middle age and settled habits into the peculiar atmosphere and necessary restrictions of a Government office, and under such conditions a man is perhaps just as likely to deteriorate as to increase in value. In my experience the most ruthless bureaucrats and the most hardened sticklers for official conventions have not infrequently been found among some of the business men and some of the eminent specialists who have been tempted into Government service after many years of distinguished activity outside.

If I may sum up my conclusions I would say that administration must depend so largely on policy, which under our political system may vary with each successive Government, that the first essential quality of a good administrator is adaptability. I believe that this quality of adaptability is more likely to be found in men who have had a good general education and have been initiated at an early age into the daily routine of civil administration than in men who have become specialists in one particular branch of knowledge. The ordinary non-technical Civil Servant soon acquires a great capacity for seeing both sides of a question and many of those present must have had the experience, as I have had, of being called upon at different times to supply successive Ministers with arguments to justify two fundamentally different methods of dealing with the same problem. Indeed, I have known of cases in which a Civil Servant has solemnly sat down to write a memorandum demolishing most convincingly all the arguments in a memorandum on the same subject which he had prepared a few months before under a different regime, and I am sure there are many Civil Servants who would be able to supply both the Prime Minister and the Leader of the Opposition with admirable material for their speeches in the same debate.

To unthinking persons this quality of adaptability may appear despicable rather than admirable, and I would not deny that it has its dangers and disadvantages. It probably accounts, for instance, for the attitude of rather bored cynicism which some people think is a characteristic feature of the higher ranks of the Civil Service. But, on the other hand, it is a great asset in administrative life, and it accounts largely for the reputation for strict impartiality which the Civil Service has gained.

On the other hand, adaptability is not usually a distinguishing feature

The Sphere of the Specialist

of the specialist. He may be described as seeking for absolute truth, whereas the lay Civil Servant looks for something which will work. I should not be concerned to deny that the latter may be a lower type, if weighed in the scale of eternal values, but in this work-a-day world even the lowest types have their appointed function, and in the manipulation of the administrative machine it is, I believe, a dominating one.

Hitherto I have spoken of the sphere of the specialist in Public Administration, using the latter words in the rather narrow sense of direct employment under the Government. But if I may extend my reference I would wish to say a few words on what I conceive to be an even more important sphere for the specialist in the realms of Public Administration in a wider sense. When we come to education and pure research I believe that the best results will be attained if the specialists engaged in them are not in the direct employ of the Government. At the Ministry of Agriculture we believe that the future of the industry depends more than anything else on education and research, and we desire, therefore, to promote them to the utmost of our power. We have quite deliberately decided, however, not to attempt to give education or carry out research by our own officers. We conceive it to be our duty to secure the necessary funds from Parliament, but then to spend the funds not by employing an army of specialists but by giving grants to local authorities, colleges, and research institutions to enable them to obtain the staff and equipment they need. This policy has many advantages. In the first place the money goes further as it attracts private benefactions and local support which would not be given to a purely State enterprise. Secondly, and more important, it allows the specialists a much freer hand to do their work in their own way. A member of the staff of a research institution such as Rothamsted is free to lecture or write without having to consider whether what he says will commit the Government or will give rise to an awkward question in Parliament. To find also that more intimate relations can be established between the practical farmers engaged in the industry and the staffs of colleges and research institutions than would be possible with whole-time Government officials, who are always regarded with some degree of suspicion and are inevitably looked upon as policemen rather than friends. I am aware that other countries adopt a different policy. For instance, I heard a lecture last night on Scientific Agriculture in America, in which we were told that in the Bureau of Plant Husbandry of the United States Department of Agriculture there are no fewer than 450 technical men who carry on the whole of the work of the Bureau with a few stenographers and calculating machines. I do not presume to say that that is not the system which is best adapted to American conditions, but in our country, with the peculiar mentality of the British race and particularly of the British

The · Journal · of · Public · Administration

farmer, I am sure that better results will be secured if our agricultural specialists are not as a rule members of the Civil Service, though we shall always require a few of them at headquarters for advice and inspection.

I expect that I have said enough by now to whet the appetites of the specialists who are present and to cause them to thirst for my blood. I will only say in conclusion, therefore, that I hope my remarks, without having been provocative, will provoke discussion, and that I recognize fully that I have only touched the fringe of the subject. There are many other aspects of it which will, I am sure, be dealt with in the subsequent discussion, and it only remains for me to thank you for the invitation to address you and for your patience in listening to my contribution.



Napoleon Buonaparte as an Administrator

Napoleon Buonaparte as an Administrator

By D. O. LUMLEY

MORE books have probably been written about Napoleon Buonaparte than about any other human being, but it is a curious fact that while his military exploits have been discussed times out of number, and his private life has been dissected by writer after writer, very few works deal specifically with his capacity as an administrator. This is no doubt due to the irresistible fascination exerted over the student of history by the grandeur of Buonaparte's feats as a leader of armies and by the psychological problems suggested by his brilliant rise from obscurity to world-power and his headlong downfall. Nevertheless, there is much of particular interest in Buonaparte's achievement as the organizer and re-builder of France and an attempt will be made to indicate in broad outline his work and methods in this respect. The wider questions of his policy as ruler of a vast European empire and as a purely military administrator fall outside the scope of this article.

Between 1789 and 1799 the French people in their efforts to achieve liberty had experienced several forms of government. Constitutional monarchy, followed by moderate democracy, had given place to the anarchy of the Jacobins, while from 1795 to 1799 an oligarchy of five Directors had added to the existing confusion by their usually lax and thoroughly corrupt methods of administration. In 1799, the finances were in a hopeless condition, justice hardly existed, local administration was conducted solely according to the popular opinion of the moment, and the central power as wielded by the Directors was becoming more inefficient every day. A large body of the population no longer held religious beliefs of any kind, while a hopeless schism existed in the ranks of such Roman Catholic priests as had remained in France. Buildings everywhere were falling into decay and roads were in many places in an appalling state. To add to the domestic misfortunes of France, her armies were being hard-pressed both on the Rhine and in Italy.

The people were utterly weary of the uncertainty and changes inevitable under successive revolutionary governments, and were therefore only too ready to accept the rule of any individual or group of individuals who seemed to offer a reasonable prospect of settled conditions. On the 11th November (18th Brumaire), Buonaparte, who had recently returned from Egypt, effected a *coup d'état* and overthrew the Directory. With

The · Journal · of · Public · Administration

Sieyès and Ducos he was appointed as Provisional Consul charged with the duty of framing a new constitution, in consultation with commissions nominated by the Council of the Ancients and the survivors of the Council of the Five Hundred.

Up to the time of Brumaire, Buonaparte was known only as the conqueror of Italy and of Egypt: he had had virtually no administrative or legal experience. Nevertheless he lost no time in assimilating the principles of government and in making clear what he intended his own position in the State to be. At the first meeting of the Provisional Consuls, Sieyès, who had for long been a leading politician and so had some claim to precedence over his colleagues, is said to have asked Ducos which of them should preside. "Do you not see," said the latter, pointing to Buonaparte, who had already taken the seat at the head of the table, "the General presides." France had found the strong man of whom she stood in such need, but she had also found a master.

Sieyès, who in his time probably made more "constitutions" than any other human being, suggested an ingenious system of assemblies and councils, each balancing and checking the other, with a vague personage called a Grand Elector and two Consuls at the head. A member of the Five Hundred, Daunou, put forward a rival scheme. Buonaparte's highly practical brain spied out the futilities of each plan and, by combining the sounder features of both, evolved a scheme of government which came into force on Christmas Day, 1799.

The Constitution required the establishment of four bodies—the Council of State, a kind of Privy Council, which was to propose legislation or ordinances regulating public administration; the Conservative Senate, a second Chamber entrusted with the power of vetoing unconstitutional measures sent up by the Legislature; the Legislature itself which consisted of two Assemblies,—the Tribune which discussed laws, but could not amend them, and the *Corps Legislatif* which voted on laws without discussion. The executive power was entrusted to a First Consul, assisted by two other Consuls. Theoretically the members of the various Assemblies were to be chosen from "Lists of Notabilities" compiled from names submitted by the electors of each communal district; as universal manhood suffrage was to be the basis of the voting, the system appeared to be sufficiently democratic to please the most rigid republican. In actual fact, the lists were not completed until September, 1801, and were only used to fill vacancies. Meantime, Buonaparte as First Consul had appointed the Councillors of State; Sieyès and Ducos, who became Senators, selected the bulk of the Senate, and the Senate nominated the members of the Tribune and the *Corps Legislatif*. The superficial appearance of popular suffrage had no existence in fact. Buonaparte had in a word accepted the fantastic "constitution" invented by Sieyès' ingenious brain, but he had replaced

Napoleon Buonaparte as an Administrator

the impossible Grand Elector by a First Consul, in whose hands all real power was concentrated. His restless energy galvanized what would otherwise have been a lifeless system into vitalizing activity.

The democratic cloak in which the new Constitution seemed to be wrapped deceived the moderate republican elements into acquiescence, while the stark autocracy which it concealed enabled Buonaparte to proceed with his self-imposed task of reorganization. His aim throughout the whole period of the Consulate (25th December, 1799—17th May, 1804) was to reconcile the old France with the new, to conciliate or repress factions and to build up his personal power. "Profiting as much by the general feeling of weariness as by the popular enthusiasm he aroused, he forced his way, by a series of small *coups d'état*, by slight breaches of the Constitution, by misstatements, by the greed and the fears which he excited, and by the ever-increasing personal influence which he exercised on those around him" (Pariset). By these methods he became First Consul for life in May, 1802, and two years later, Emperor.

Buonaparte's instinct in choosing subordinates, save in the case of his own relations, was unerring. As Second Consul he chose Cambacérès, a Republican who had voted for the execution of Louis XVI, and an eminent jurist. Lebrun, the Third Consul, was known to have Royalist sympathies; he had some knowledge of finance. By these appointments, Buonaparte conciliated two of the leading parties in the State and at the same time provided himself with useful advisers on law and finance, subjects of which at this stage he knew little or nothing. In addition, neither Cambacérès nor Lebrun displayed any desire to challenge his supremacy.

Buonaparte selected his ministers with the same care, singling out men who, though highly proficient in their own particular line, were unlikely to shine as leaders. Speaking of Berthier, his able Minister of War, Buonaparte once said, "If you leave him to himself, he is not capable of commanding a battalion." Two only of his ministers, Fouché and Talleyrand, threatened to become his rivals, but their experience in Police and Foreign Affairs respectively made them difficult to replace. Talleyrand frequently urged Buonaparte to get rid of Fouché in view of that minister's frequent double dealings, but the First Consul preferred to keep his two most dangerous subordinates in office as a set-off to one another.

Buonaparte further safeguarded himself against the appearance of possible rivals by dividing the functions of the more important ministries¹ between two separate holders, as for instance the Ministry of Finance, which was responsible for revenue, and the Ministry of the Public

¹ The Ministries were ten in number, viz., Foreign Affairs, War, Military Affairs, Navy and Colonies, Finance, the Treasury, Justice, Home affairs, Police, Secretary of State (Pariset).

The · Journal · of · Public · Administration

Treasury, which dealt with expenditure. This was typical of Buonaparte's methods and corresponded with his division of the Legislature into two bodies. Duplication of offices is normally to be condemned, but from the results achieved in this instance the principle seems to have been fully justified, both on political and administrative grounds.

In his choice of minor officials to fill the numerous posts created under his system, Buonaparte followed a clean-cut policy. That a man belonged to one political party or another did not concern him in the least; all he required was efficiency and implicit obedience. These attributes the majority of the officials appointed during the Consulate certainly seem to have possessed, and administration both local and national benefited accordingly.

From the first, Buonaparte fully appreciated the fact that, if his work of rebuilding France was to succeed, the structure must rest on the most solid foundations. To this end, he set himself to conciliate the more moderate parties of Revolutionary France, and at the same time to provide a place in the State for such elements belonging to the old regime as would accept his methods of rule. On the other hand, he was merciless in dealing with extremists of all kinds.

Two days after Brumaire, the Law of Hostages, a menace to the relatives of *émigrés*, was repealed, and six weeks later all persons condemned to deportation without proper trial were permitted by law to return to France. In October, 1800, plebeian *émigrés* were permitted to return, and in April, 1802, a similar concession was extended to all other *émigrés*, with only a few exceptions. These persons, on taking an oath of fidelity to the Constitution, were allowed to resume possession of such of their property as had not been nationalized or sold. The rights of persons who had acquired national property during the Revolution were guaranteed by law and no question ever arose of returning such property to the original owners. Thus was the compromise between the claims of the old and new interests effected.

Against the Chouans, the extreme Royalist party of the West, Buonaparte took vigorous measures, and as a result organized opposition to the Government ceased to exist within a few weeks. By the beginning of 1802, the Royalist party as such had become a negligible factor. Similar action was taken against the Jacobins, most of whose leaders were deported as a result of a conspiracy in January, 1801. There is considerable doubt whether the Jacobins were responsible for this particular plot, but as a party they were certainly a menace to the public peace and their disbandment could be justified on general grounds.

In dealing with the religious difficulties of France, Buonaparte followed the policy which he had adopted in the social settlement. Though his personal beliefs were not particularly deep, he fully recognized the necessity for religion as one of the pillars of the State. Roman

Napoleon Buonaparte as an Administrator

Catholicism was still the creed of the majority of Frenchmen¹ who professed any belief at all; its re-introduction would do much to conciliate those who retained Royalist sentiments, whilst the value of the support of the Pope could not be ignored by one who already contemplated the foundation of an imperial dynasty. For these and other reasons, Buonaparte opened negotiations with Rome, which led to the ratification of a Concordat in the spring of 1802.

By this agreement, Roman Catholicism was recognized as the religion of the great majority of the French people and its free practice throughout France was permitted. The bishops, both those who had accepted and those who had rejected the Civil Constitution of the Clergy introduced in 1792, were requested by the Pope to resign. Sixty sees were recognized, and their future holders were nominated by Buonaparte and invested by the Pope. The bishops nominated the ordinary clergy, subject to the concurrence of the Government. All the clergy were given stipends by the State, and were required to swear fidelity to the Constitution.

Later, Buonaparte granted similar recognition to Lutherans, Calvinists, and Jews, and so rounded off his great work of bringing religious peace to France. The religious settlement was coupled with an enactment ensuring permanent security of tenure to the holders of the confiscated ecclesiastical lands.

In financial matters, Buonaparte wisely relied on the advice of Gaudin, who had spent nearly twenty-five years of his life in the Finance Department. The position was desperate enough. Less than £7,000 in cash remained in the Treasury, while "the market was still loaded with paper of all sorts, requisition vouchers, assignments, warrants for arrears of interest, exchequer bills of former issues, etc." (Pariset). Buonaparte and Gaudin obtained an advance from the Paris bankers and instituted an extraordinary lottery as early as 24th November, 1799. The organization for collecting the direct taxes was completely overhauled and a centralized system under the control of the Minister was set up. The machinery was not entirely completed until 1804, but tax officers were immediately appointed in each Department to draw up the tax-rolls, and to clear up the arrears of taxes left uncollected during the Revolution. By 1804, collectors of direct taxes, appointed by Buonaparte in each case, were stationed in every town and village.

To remedy the hopeless conditions produced by years of financial mismanagement, the sixty odd securities still on the market, most of them heavily depreciated, were called in and exchanged for bonds of an amount proportionate to their face value; and by degrees various outstanding portions of the Public Debt were consolidated. Early in

¹ According to Thibaudeau, out of a total population of 35 millions, 3 millions were Protestants, Jews, or Theophilanthropists; 15 millions were Catholics; and 17 millions had no creed of any kind.

The · Journal · of · Public · Administration

1800, the Bank of France was founded and entrusted with the duties, *inter alia*, of paying arrears to holders of government annuities and of looking after the money subscribed to the national lotteries. The Bank in 1803 was granted the exclusive privilege of issuing banknotes for a period of years.

The efficacy of these steps can best be realized by the quotation of a few figures. Early in 1799 the price of government annuities was 7 (francs), in 1800 it was 44, and for the next few years it averaged 60. The budgets of 1799-1800 and 1800-1801 were loaded with arrears in process of liquidation, but in the budget of 1801-1802 expenditure and revenue almost exactly balanced. The items on each side, as given by Professor Pariset, are extremely interesting. Of the receipts, 46 per cent came from direct taxation, 22 per cent from forests and national lands, 27 per cent from indirect taxation, and 5 per cent from miscellaneous sources. Of the payments, 47 per cent was absorbed by the finances and public debt, 45 per cent by the army and navy, and 8 per cent by the cost of administration. Equally instructive are Taine's comparative figures of taxation under the Monarchy and under the Consulate. In 1789, of every 100 francs of income, the peasant paid 53 to the King, 14 to the Church, 14 to his *seigneur*, and kept 19 for himself. After 1800 he paid 21 francs in direct and indirect taxation and had 79 for himself.

Early in August 1800, Buonaparte appointed a committee of four eminent lawyers to draw up a Civil Code. The work occupied some four months, and the draft, after criticism by the law-courts and the legislative section of the Council of State, came before the full Council under the presidency of Buonaparte. The project of a Civil Code was no new one, more than one draft having been prepared during the Revolutionary period, but the problem was now complicated by the mass of decrees, many of them ill-conceived, which had been promulgated by the National Assemblies. It was the task of Buonaparte and his advisers to reconcile Roman and French Law with Revolutionary Law, to take what was best from each and to reduce the result to reasonable proportions. The Code became law in 1804, and after some alterations was renamed the *Code Napoléon* in 1807.

The Code was admittedly hastily compiled, and opinions differ as to its intrinsic worth, but it was certainly a monumental and lasting achievement, seeing that it remains to-day as the basis of civil law in France and in other continental countries which at one time or another came under Buonaparte's rule. The main objects aimed at by Buonaparte in framing the Code were "civil equality, healthy family life, secure bulwarks to property, religious toleration, a government raised above the howls of faction" (H. A. L. Fisher), and it cannot be denied that at least during the First Empire most if not all of these vital interests

Napoleon Buonaparte as an Administrator

were safeguarded. The personal share of Buonaparte in the making of the Code is best described in the masterly words of Mr. Fisher, which follow: "With little legal learning save what he had gathered from snatches of reading or from the talk of Fronchet and Portalis, and devoid of the scholarly temper of the professional draftsman, he possessed so luxuriant an intellectual nature, so lively a power of concrete vision, so keen an instinct for the large issues of politics, that his contributions to the discussions were a series of splendid surprises, occasionally appropriate and decisive, occasionally involved in the tissues of a dream, but always stamped with the mark of genius and glowing with the impulses of a fresh and impetuous temperament." Codes of Civil Procedure (1806), Commerce (1807), "Criminal Instruction" (1808), and a Penal Code (1810) completed the unification of the law, but with these Buonaparte had little or no direct concern.

One more feat of organization effected by Buonaparte, namely his system of local government, remains to be dealt with. The Revolutionary Governments had replaced the unrepresentative system of the Monarchy by the fullest self-government, with the result that the inexperienced electorate was quite unable to make any good use of its new-found liberty. Affairs fell into the hands of political wire-pullers, who traded on the ignorance of the populace, law went according to the local ideas of the moment, and taxes were frequently uncollected. The over-elaborate organization of France into communes, cantons, districts and departments, each with an elective council, merely resulted in confusion and waste of time and money.

The system introduced by Buonaparte (Law of 17th February, 1800) was simple and practical. The 6,000 or 7,000 cantons were swept away, and the 36,000 to 40,000 communes (towns and villages) were grouped in 398 *arrondissements* or districts, which in their turn were grouped in the departments. In each of these divisions, a single magistrate with sole responsibility for administration was appointed, prefects and sub-prefects in the departments and *arrondissements* respectively, and mayors in the *communes*. All these officials were appointed by the First Consul, except the mayors in the smaller *communes* who were selected by the prefects. The councils in each division remained but they were left little or no share in administration, save that they were allowed to adjust the assessment of the direct taxes. The Prefects were First Consuls in miniature and the system, despite the democratic colour lent by the existence of the elective councils, was purely autocratic. "It substituted local government by the central power for local self-government" (Rose). The directly appointed army of tax-collectors, referred to above, completed the official hierarchy presided over by Buonaparte.

The centralized system of local government survived the First Empire, the Bourbon Restoration, the Orleanist Monarchy, the Second Empire,

The · Journal · of · Public · Administration

and exists to-day almost unchanged. This in itself is proof of its soundness. The most serious menace to its continuance occurred in the early days of the Third Republic when a majority of the Assembly wished the choice of mayors to rest, not with the central authority or the prefects, but with the elective councils of the *communes*. Thiers, a keen student of Buonaparte's institutions and the recognized historian of the Consulate and the Empire, strongly opposed this view, with the result that the right of electing mayors was finally given only to the councils of *communes* with less than 20,000 inhabitants. "Thus," says Mr. Holland Rose, "the Napoleonic tradition in favour of keeping local government under the oversight of officials nominated from Paris was to some extent perpetuated even in an avowedly democratic measure."

The concentration of the control of local affairs in the hands of the central authority has given Paris a political importance which is not shared by other European capitals. Possession of Paris has practically meant possession of France, and to this fact the success of the uprisings of 1830, 1848, 1851, and 1871, and the readiness of successive governments to retain the centralized system may in some measure be ascribed. On the other hand, the centralized system was no doubt responsible to an appreciable extent for the rapid recoveries made by the French people after the Franco-Prussian War and after the last war. The deadening effect of the system on the development of the national initiative has often been deplored, but this is at least a matter of opinion: its efficiency has never been in doubt.

This outline of Buonaparte's organizing and administrative undertaking has deliberately been confined to the period of the Consulate. The work was of course continued under the Empire, but it was largely in the nature of development, not of initiation. Almost the whole of the institutions for which Buonaparte was responsible were conceived and created while he was First Consul. From Brumaire to his accession to the throne, his genius was at its height, his judgment was unerring, and the lust for world-power had not yet enslaved him. During this period, he not only reorganized the government, finance, the law, religion, in fact, almost every French institution, but he fought the brilliant campaign in Italy which ended at Marengo and he negotiated the favourable treaties of Lunéville (with Austria) and Amiens (with England). In no period of history is there anything comparable with the achievements packed within these five years. From the beginning of the Empire, Buonaparte's personal part in the administration of France rapidly decreased and he turned his attention to the conquest of Europe. Megalomania seized hold of him, his judgment became impaired, and his single aim was the accumulation of more and more power. The needs of his vast armies in men and money drained France and destroyed much of the prosperity which in 1804 existed everywhere as a result of his earlier administration.

Napoleon Buonaparte as an Administrator

It is interesting to speculate as to what France might have become under his guidance, if he had been able to curb his restless ambition. The Buonaparte of the Empire was primarily a leader of armies: it is with the Buonaparte of the Consulate, the organizer of France, that this article is concerned.

"We have done with the romance of the Revolution: we must now commence its history. We must have eyes only for what is real and practicable in the application of principles, and not for the speculative and hypothetical." These, Buonaparte's own words, show the unchanging lines on which he worked. His own almost superhuman brain, his tremendous industry, his thoroughness and his power of inspiring his subordinates to give of their best, were the chief factors which contributed to the success he achieved. "With an insatiable activity in details, a restlessness of mind always eager for new cares, he not only reigned and governed, he continued to administer not only as Prime Minister, but more minutely than each Minister" (Mollien). In 1799, Buonaparte realized that France needed a period of strong rule if the ravages of the Revolution were to be repaired. His own ambitions required that he should rise to the highest place in the State. When the personal aims of a strong man and the needs of his country happen to coincide, the result is usually beneficial. So it was with Buonaparte in the construction of his pyramid of power. He restored the absolutism of the Bourbons, with himself as the central figure. With revolutionary ideals of liberty and fraternity he had no sort of sympathy, but he preserved for all Frenchmen the boons of equality and religious toleration.

So long as Buonaparte himself was available to control the system, so long as his brain retained its balance, and so long as his own aims marched with those of the State, the centralization of power was wholesome, but once the master brain was diverted to purely selfish ends, the evil results which absolutism brings in its train began to show themselves. Nevertheless, the stupendous task he carried out during the Consulate, and the durability of so many of the institutions to which he gave birth, must entitle Buonaparte to be considered one of the greatest administrators the world has ever seen.



A Mild Expostulation

BY THE EDITOR

IN the January number of the *Edinburgh Review* there is considerable reference to central and local administration. Mr. Bernard Holland gives a brief summary of Mr. and Mrs. Sidney Webb's new book on *English Local Government*, and proceeds from that summary to deal with national and local expenditure. Basing his considerations largely upon the administration of education he proceeds to contend that there is a vast amount of overlapping, that the central authorities duplicate the work of the local authorities, that there are "seas of ink and leagues of paper and other equipment and expenses." He argues that if it "were not necessary to maintain a vast correspondence with Whitehall over the most trifling matters a great part of the staff of local authorities might be dispensed with," and that if county and city councils "could finally settle countless small cost-involving matters, it would not be necessary to pay officials in Whitehall to supervise them and other officials in Whitehall to supervise these officials." He gives various instances to prove his case, including quotations from Mr. Fisher. Then he gives us a rapid review of other departments, and he sees the same duality beginning in respect of public health and the relief of the poor, the construction of roads, and housing. He sums up that a clear demarcation should be made between national and local administrative business, and that "the former should be transacted by national and the latter, subject to national legislation, by local authorities, and neither by both." To achieve this he would arrange for a division of the sources of revenue, including a division of the income tax, and then he would provide for greater local centralization. "No great sentiment is attached to rural or urban districts, modern creations, and it would be easy to transform their councils into county sub-committees." Thus the proposal is two-fold. It is decentralization from the capital downwards; it is centralization upwards to the county.

Now this is quite legitimate as a proposal. It is argued fairly and frankly. It is true that in Mr. and Mrs. Webb's book there are answers to some of the arguments, especially the difficulties of autonomy in local districts. But with this we have no concern. It is a matter for legislation. The mild expostulation comes in when the Editor of the *Edinburgh Review* crosses the t's and dots the i's of Mr. Holland's arguments. It seems that the malevolent influence is not only the legislative authority which has so devised the administrative machine but "partly the efforts of the bureaucrats themselves, persistently manoeuvring to increase their own functions." Here is the process: "For each year there are

A Mild Expostulation

turned on to the world a large number of young men and young women who have passed through the secondary schools and perhaps even through a university, but who have not been trained for any special profession. To such young persons the Civil Service is a golden gate, and they bring to bear all the pressure they can to get appointments. In addition, ministers of the Crown, under the reckless methods of administration which have prevailed for the past ten or twelve years, have frequently created jobs for political ends. In these ways there has been built up a gigantic bureaucracy, the greater part of which is not only useless but positively mischievous, because the very redundancy of officials delays work."

Thus we see one of the ways in which the social legislation of the past few years has been brought about. It has been the work of young persons bringing pressure to get appointments! The bureaucracy is responsible for making other bureaucracies. There are "new armies of officials who are engaged solely in criticizing one another's proceedings." Now surely the question of local and central administration could be discussed without this assault upon officials. They may be, as the Bible says, unprofitable servants, but then, they have done their duty. They have accepted the lot given to them. Theirs not to make reply. Theirs but to do—and to be attacked. It is against this process of argument that a mild expostulation is ventured. Mr. Harold Cox would not attack the booking clerk in his local railway station because the tickets were not to his liking. In the very editorial notes in question he goes on to analyse cause and effect much more justly. Did he really need to bring in the "bureaucracy" to make good his case? Does he really believe that the young persons clamouring for jobs are responsible for changing the direction of administrative control?

To say this is not to be controversial. It may be that the study of what Mr. Webb calls the "new science of public administration" may throw some light on a complex issue. It is only necessary to suggest in this place very mildly and very respectfully that the idea of a "horde of bureaucrats" deliberately "manoeuvring to increase their own functions" is not worthy of the pen which crystallized it. There are contributions for even the humblest of us to make to the solution of the problems of administration without questioning each other's honour and without ascribing personal gain as the central aim. After all much of the present administration of local government arose from discontent with the system of private profit and distrust of the individual contractor. The "bureaucrat" is largely a figment of an imagination which has allowed its perspective to become a distorted vision. We shall read our *Edinburgh* with profit and respect; we should be disposed to trust it a shade more implicitly if it were not quite so ready to regard the servants of the public as uniform self-seekers.

The "Haldane" Prize

THE Council of the Institute has decided to inaugurate an essay competition for a prize of £10 and a silver medal, to be associated with the name of the first President of the Institute. It is probable that this will develop into an annual event, though in future years the conditions may be varied: for example, it may be given for the best contribution during the year to the science of public administration. As a beginning, however, it seems to be best to give the prize for a definite essay upon a given subject. The subjects from which the choice is to be made have been chosen by a committee and the intention is to have them as wide-reaching as possible so that the experience of public servants of all grades may be a basis for a study of the particular question. The final adjudication will be made by two gentlemen of high standing both in the literary world and in the public services.

The conditions are as follows—

1. The competition is open to all members and associates of the Institute.
2. Copyright in the prize-winning essay is vested in the Institute of Public Administration, and no responsibility is accepted for the return of essay to the writers.
3. All essays shall be submitted under a *nom de plume*, the full name and address of the competitor to be written on a separate sheet of paper and enclosed in a sealed envelope bearing the *nom de plume* on the outside, the envelopes to be opened in the presence of at least two officers of the Institute after the judges have given their award.
4. The award of the judges appointed by the Council of the Institute is final.
5. Candidates are required to write on either of the following subjects; the length of the essay not to exceed 5,000 words.
 - (a) What are the main criticisms on the Civil or Municipal Services? How far are they justified and what suggestions do you make?
 - (b) How far and under what conditions is routine work valuable as a training for higher work?
6. All essays must be sent to the Secretary of the Institute not later than 1st October, 1923, the envelope to be endorsed "Essay Competition."

Reviews

[It will be the object of the Reviews of Books in the JOURNAL to cover the whole ground of the literature produced in the preceding quarter which may have a bearing upon public administration. By this means, it is hoped, some assistance will be given to the student and some direction to the general reader. A judgment of the value of the books will be attempted, as portion of the ordinary duty of criticism, but the particular value of the book in its relation to the advance of the science of public administration will be regarded as the paramount criterion.]

I

"THE CIVIL SERVICE OF GREAT BRITAIN," by Robert Moses, Ph.D. (Columbia University.)

THE native historian of the British Civil Service has not yet appeared ; and the absence of a connected and philosophical narrative of our own existence from the hands of a fellow countryman appears surprising when we reflect that Mr. Moses' book has had worthy forerunners in the works of Eaton and Meyer. Yet the fact is not without sufficient explanation. Our Civil Service annals are linked, for good or evil, with the history of domestic politics, and it is difficult for the most philosophically-minded of Englishmen to see steadily and to see whole a chain of development in which the most recent links are magnified out of proportion by the distortions of excessive propinquity. The *eidola fori* are too much with us, and notwithstanding the breach with the past which the war has left, an impartiality amounting to genius would be required of any Englishman daring enough to write the annals of his own Civil Service even down to the year 1914, which is Mr. Moses' boundary. There are also, even to the historian dealing with nations not his own, peculiar difficulties in the genre. The institutions of a civilized polity and their effect on the internal and external growth of the community are of more direct and obvious import, even to the most sociological of annalists, than the methods of selection employed in choosing the individuals whose sphere lies in those more intimate, latent, and recondite aspects of public life which constitute *per differentiam* the work of a Civil Service. It is true there have been epochs in the progress of many first rate powers (usually epochs of consolidation following upon periods of expansion) which have led a Gibbon, a Finlay, and a Von Ranke to advert upon the special importance which questions of bureaucratic personnel have at such moments assumed. But even in these cases the external factors of the problem have of necessity received more attention than has been bestowed upon the analysis of the radical problem of recruitment, selection, and admission in its simplest form.

The · Journal · of · Public · Administration

There is therefore no lack of virgin pasture in the land to which Mr. Moses introduces his readers, even those to whom the commissions and committees of his pages are in a sense "familiar presences," and to whom there is an element of "anamnesis" in the recognition of such forgotten worthies as the deputy registrar who, having absented himself from duty for fifteen months only, was compelled at the end of that brief period to suffer the ignominy of being declared redundant. It is, in short, a real want which is supplied by Mr. Moses' book, and the manner in which the story is told is such as to leave little room for further research into the annals of sixty eventful years. Within those years is contained the entire narrative of the rise and development of the principle of open competitive examination, and Mr. Moses deals with the subject with a judicious selection of material and with a conciseness which leave no doubt as to the value of his synthesis or as to his firm grasp of the dramatic unity of his subject.

Those of us whom the narrative touches most intimately will rise from the perusal with certain qualms as to the salubrity of the pit from which we were digged and may well make the most of what comfort we can derive from the candour with which Mr. Moses points the moral to his compatriots and from the inference that, if we are being held up to the world either as an awful example or as a model, then it is somewhat more likely to be as the latter than as the former. It may well, however, be neither as the one nor the other. Didacticism of all kinds is rigidly eschewed by Mr. Moses, whose style, like that of St. Simon, recalls pre-eminently "the surgeon and the judge." His calm dispassionate account of the mistakes of successive generations of English publicists and statesmen, though unsparing, is studiously non-committal. Nevertheless, we are in the last resort left to infer that he finds the existing British Civil Service a reasonably satisfactory commodity. And if the lesson for the U.S.A. is that it is possible to buy and keep such a commodity at a moderate price by the expedients of the "open door" and "establishment" it is fair to remember that he reminds them in the same breath that as they have ("perhaps unfortunately!") no system of titles and honours they must expect to pay rather more than England in ready cash. The only possible comment is that, while gratefully accepting whatever tribute is involved, we should be glad to know how far the experience of the last nine years has modified Mr. Moses' point of view as to the commercial needs of the case—and this on both sides of the Atlantic.

A more than usually sententious remark made by Dr. Samuel Johnson, who found nothing better to say in favour of a sojourn in the perfections of Cowdray House than "Sir, we see here how our ancestors lived," would be a fair summing up of the first part of Mr. Moses' narrative; and, lamentable as it is that Cowdray could stir the doctor to no more

Reviews

aesthetic emotions, it is no less so that the proceedings of our ancestors as sketched by Mr. Moses should do nothing to purge our bosoms of that distaste for the Victorian era which seems still to be growing upon us. The fact, however, cannot be denied. The emergence of the principle of open competition is, no doubt, a jewel of the first water, but its lustre is sadly dimmed by its setting of insincerities, snobberies, and tergiversations. Trollope, the satirist of abuses under which he himself groaned, becomes the defender of precisely similar abuses when others suffer, and his apostasy is unhappily only too typical. Between the commanding figures of Macaulay on the one hand and the distinguished names of the Macdonnell Commission on the other there is not at first sight, at least, much to be thankful for. And indeed if it were not for the peaceful years following the Ridley Commission—years characterized by that historical dullness which witnesses to some measure of happiness and naturally leaving little mark on Mr. Moses' pages—the taste of pessimism left upon the mental palate would be almost unalloyed.

Much of the later portion of Mr. Moses' work is naturally devoted to an examination of the issues raised by the division of the non-manipulative arm of the service into what we may call, in the most modern terminology, the administrative, executive, and clerical branches. On this point (one of the few on which he permits himself to comment as an observer and not merely as an American monitor) Mr. Moses has a few admirably expressed remarks of a definitely conservative tendency. Laudable, however, as is the clarity of his vision of the powerlessness of the State to readjust the handicaps of life, it may fairly be said that he does not fully face the further question of the obligation of the State to recognize the success of those who in mature life labour successfully to reduce and eliminate their handicaps. These passages, indeed, in Mr. Moses' work, no less than much that is written in the contrary sense, suggest by their very *suppressiones veri* that the time has come for a candid restatement and examination of a fundamental problem. There is a mass of donkey-work to be done in the world. Is it possibly expedient or right for the State, by action or inaction, to provide for this work and guard against the dangers of unattainable aspiration by maintaining an appropriate breed? An affirmative answer, nowadays, would appear like flat blasphemy; but while we may well reject it, the authority of Plato notwithstanding, it is as well to realize that the authority is a respectable one, and that mere vehemence in anathematizing a counsel of despair will not of itself lead to the best counsels. Nothing can do that but a greater conjunction of sympathetic wisdom and clear thought than the issue at stake has yet received.

There are less delicate but scarcely less interesting topics in Mr. Moses' work on which it would be pleasant to linger. The vivid presentment of historic personalities is one of these, and equally interesting are

The · Journal · of · Public · Administration

the indications that, while the central problem of open competition may to some extent have received solution, other old friends are still with us quite unsolved and with faces on which the passage of sixty years has written no wrinkle. The scope of the Class I examination scheme, the relative financial attractiveness (or unattractiveness) of various departments, the question of "interchangeability," these are the things that vex our souls to-day, and it is either comforting or saddening, according to the point of view, to find that they were equally vexatious in the dark backward and abysm of time. No doubt Mr. Moses' successor sixty or more years hence will find them causing undiminished searchings of heart in the British Civil Service of A.D. 2000.

II

"ENGLISH LOCAL GOVERNMENT; STATUTORY AUTHORITIES FOR SPECIAL PURPOSES," by Sidney and Beatrice Webb. (London: Longmans Green & Co.) 25s. net.

THE outstanding feature of this most valuable study is the enormous amount of minute research which it has entailed, and the clarity with which the wealth of fact has been brought into a direct, almost a narrative, statement. It shows that the characteristically English method of local government has been a process of evolution not so much from the earlier corporation authorities but from various functional authorities specially established for particular purposes. These statutory authorities "may claim our attention as the direct ancestors, more truly than the municipal corporation or the manor, of a large part of the powers and functions, not only of our borough councils, as of our urban and rural district councils, but also of the greatest of all our local governing authorities, the London County Council itself." This is a big claim to make for the 1,800 statutory authorities, but the student of Mr. and Mrs. Webb's precise statement of the developing functions of the *ad rem* authorities will have little hesitation in agreeing that it is a just claim.

Four different types are taken into account. There are those which deal with sewers, having a wide interpretation of the word so as to include various methods of draining, of improving fen-lands, of struggles against erosion. There are the various incorporated bodies for dealing with poverty. There are the turnpike authorities. Lastly there are the varied bodies which the authors group under the heading of "Improvement," and whose responsibilities included paving, lighting, watching or policing, and cleaning. We are taken through the romantic story of these four aspects of special bodies. We meet such attractive corporations as the "Jurats of the Municipal Corporation of Romney Marsh." We come into touch with early efforts to tackle the question of pauperism, such as that of Bristol inspired by a pamphlet from the pen of John Cary.

Reviews

This bill was passed in 1696, and set Bristol in the position of a pioneer. It established a Corporation of the Poor, and it was "the first local governing body directed by Parliamentary statute to be based mainly upon popular election in all the wards of a great city." Alas, this experiment did not fulfil expectations, for "the plan of employing the poor at wages in the workhouse was quickly discovered to involve not less, but greater expense per head than their maintenance by doles of outdoor relief." Some attention was directed to a later experiment at Shrewsbury, where an old foundling hospital on the high cliff, overlooking the Severn, was available. There was what we should now call a good deal of "publicity" in respect of the Shrewsbury experiment. It was supposed to be a combination of indoor work for wages with outdoor relief. The experiment was a grim failure—"Within a few years we note a complete revulsion of feeling in Shrewsbury itself." And the magnificently-placed building became the property of Shrewsbury School!

It is amazing to read the account of the "Improvement Commissioners." One can hardly credit the description of the condition of urban streets not very much more than a century ago. "Here is a glimpse of Chester in 1825. 'For weeks past not a besom has been employed in this populous thoroughfare till Friday last, and then, forsooth, an old invalided man and a solitary female were employed on that long line of road. . . . From Friday to yesterday the accumulated heaps of mud . . . were suffered to remain without being carted away, to the serious annoyance of neighbours and passengers.'" We read an amusing story of the loss of a firkin of butter in Manchester mud, and in Liverpool in 1828 we find that the heaps of mud were left for days "sometimes used as places of repose by the guests returning from the Corporation feasts."

So our authors tell the story. They give us many details of the relation of the central legislative authority to these local authorities, including the devolution in the Tudor period of the power of making the local laws binding by the mere authority of the Commissioners themselves. It is a sound basis for the consideration of the science of administration, the study of the process by which "the outlook and purpose of Local Government has been gradually defined, widened and ennobled." The authors leave the further pursuit to those whom they are pleased to call "younger students," but we could not imagine a fairer beginning than this comprehensive treatise.

III

"THE PHILOSOPHY OF MANAGEMENT," by Oliver Sheldon. (London: Sir Isaac Pitman & Sons.) 10s. 6d. net.

MANY readers will remember a remarkable lecture delivered by Mr. Sheldon at the Society of Civil Servants. It revealed him as a fresh

The · Journal · of · Public · Administration

and earnest thinker upon central problems of administration. This book is concerned with the management of industry, but in seeking a philosophy of management Mr. Sheldon uses the parallel of the Civil Service to good effect and in particular the Haldane Report on the Machinery of Government. He begins with the social and industrial background and then proceeds to analyse the conceptions of administration, organization, and management. From this he comes to the application of principles, and he considers very carefully the different methods of organization which have been put forward.

It is at this point that students of public administration will find the book of most value. They know, at close hand, that the whole problem lies in delegation of authority. How can delegation best be carried out so as to retain definite authority at the head and close correlation all down the line? There are four principal methods, (a) functional organization, (b) departmental organization, (c) staff and line organization, (d) committee organization. Functional organization is based upon the realization of the fact that there are specific functions common to all or to various departments, and functional organization sets out to place these functions in the hands of an expert. It is a complete organization on this functional basis, and the distinction between the different functions is carried logically through. The departments still continue as departments, but staff management, for example, or plant management, or costing, would be associated with specialized functional control. The principle of delegation, which is the second system, is precisely the opposite. It is a horizontal and not a perpendicular division. It is a division, as Mr. Sheldon puts it, rather by process than by function. "One individual is responsible for everything concerning the particular processes allocated to him. He divides his department into sections. The head of each section is responsible for everything concerning his section." This is essentially the departmental system. It recognizes no kinship between functions in different departments. They are allotted to the control of the department, or section, or group. The division is by process and not by function. The third system is the "staff and line," or, as we are prone to express it, administrative and executive, "distinguishing between thinking and doing." It is the military method. "The principle is based upon what is held to be a profound distinction between human beings. Some have the minds of men of action—leaders, executives. Others have the minds of thinkers—scientists, planners, engineers." Lastly, there is the "committee" system, which is perhaps never a distinct type, though in some organizations the allotment to committees covers a wider range than in other organizations.

The discussion of the relative merits of the various systems becomes more complex when it is remembered that it is a question of more or less. It is admitted by all experts that there is something to be said for each

Reviews

system ; it is admitted by most experts that we have to find some sort of correlation between each of them. To what extent a functional organization can most efficiently be included in a system of delegated authority, with something of staff and line so as to allow for specialized administrative study at the top, and something of the committee method to allow for contributions from the executive or practical side—here lies the problem. It needs to be studied with punctilious care to avoid prejudice, for it is remarkable how easily even the ablest minds run to prejudice in respect of an organization to which they have become accustomed.

Mr. Sheldon covers a large number of other aspects of management, including labour management, welfare work, Whitley and works' councils, and he has a remarkable chapter on training for management. It is astonishing how rapidly this subject is coming to the front. It is remarkable, too, how it is being recognized that the management of large industries has something to learn from the organization of vast government departments. To say this is not to forget that those who are studying public administration have in turn much to learn from those larger industries where there has been special study of organization, and particularly of the delimitation of responsibilities, and also of newer methods of costing as a test and a check on the performance of executive work. We shall get away from angry comparisons and from utter misconceptions when we meet on the mutual territory of patient study and research.



THE FORUM

[The object of this section of the JOURNAL OF PUBLIC ADMINISTRATION is to provide an opportunity for frank discussion. Articles should not exceed 500 words and should be devoted to subjects of immediate interest to the Institute. They may or may not be signed, but must be written by an accepted Member or Associate of the Institute, and the name and address of the sender must be supplied.]

THE suggestion of "A Student," in the first number of the JOURNAL, that space should be found for a summary of Blue Books, raises a question of some importance. In so far as current publications are concerned the quarterly review of books would appear amply to meet requirements. But neither from its name nor from its nature would the JOURNAL appear to be a fitting medium for the publication of an authoritative annotated list of Government publications. Such a list, if it be compiled at all, should be as far as possible exhaustive. A catalogue which purports to be complete but which is really not so is apt to be more misleading than useful. The preparation of a satisfactory catalogue of the nature indicated is a work which requires careful planning and execution, and the expenditure of a considerable amount of time and labour. Such a task might well be entrusted to a sub-committee of the Council of the Institute and the results published for the benefit of members (in the broadest sense). Not only does the proposal seem well within the scope of the avowed aims of the Institute, but it would even appear to be an indispensable preliminary to any scientific study of the subject which we all have (or should have) at heart.

However, the JOURNAL might well be used for the publication of a series of short articles by officers serving in the various Government departments and by those connected with the various local authorities, describing for the benefit of other members of the Institute, and particularly for those not resident in the metropolis, the chief spheres of activity and the administrative methods and aims of the departments or authorities concerned. No doubt, amongst the members of the Institute there would be found a sufficient number willing to co-operate in the plan and at the same time qualified to write authoritatively on their particular department.

Such a scheme would tend to give to the provincial and to the colonial member an insight into central administration, to rouse or develop his interest in the Institute, to link him in spirit with other public officers, to demonstrate that heterogeneity of function is not incompatible with

The Forum

homogeneity of ideal, and (let us hope) to eradicate the Trade Union materialism from which "An Enquiring Member" appears unfortunately to be suffering.

A. V. T.

One of the questions which the Institute of Public Administration might take up is the need for some comprehensive history of the Civil Service. It is rather a remarkable fact that at the present time one has to go to America for what is practically the only good book on the subject, *The Civil Service of Great Britain*, by Dr. Robert Moses, published by the Columbia University. Excellent as it is, this only covers a period of sixty years, and is largely a history of open competition rather than of the Service in all its aspects. I wonder if it would be possible to get someone like H. G. Wells, Sidney Webb, or Graham Wallas to tackle the problem, or whether it would be better treated by allotting various chapters to specialists working under a single editor.

An interesting section, or possibly a separate volume, would deal with the history of what may be called the Trade Union movement in the Civil Service. In this connection I want to make an appeal to all those who are in possession of documents bearing upon the early history of this movement to safeguard them carefully against the time when its historian shall appear. Sidney Webb, in the preface to the original edition of his *History of Trade Unionism*, bitterly laments the destruction of old records as rubbish, and in the present phase of amalgamation of Civil Service organizations there is some risk that the archives of the older bodies may be lost sight of by their successors. Where no other custodian is available the Institute might undertake the preservation of such documents together with any others that may be of use to the future historian.

Pending the development of some scheme for a Civil Service history, a beginning might be made here and now in the collection of data and the compilation of a Civil Service bibliography. In this connection I should be glad to receive particulars of any books bearing upon the history of the Civil Service, with information as to where they are obtainable. Many interesting sidelights (perhaps not always accurate) are thrown upon Civil Service conditions in novels such as Dickens' *Little Dorrit*, Trollope's *Three Clerks*, and in the fourteenth century Poems of Hoccleve. Such as these should not be excluded from the list. If a sufficient response is forthcoming lists of the volumes brought to notice might be published from time to time in the JOURNAL. As funds permit the Institute will no doubt desire to acquire copies of such works for its library, and members and associates could help towards this end by presenting such copies as they can spare from their own bookshelves.

HUGH SHAYLER.

The Need of an Institute

In proposing a vote of thanks to Viscount Milner for his address, Sir John Anderson, G.C.B., said that the speech they had just heard was a complete justification of the aims and objects of the Institute. He had to confess that when he himself first heard of the Institute he had very serious misgivings in regard to it. The creation of an organization within the Civil Services for mutual improvement was a sufficiently admirable idea, but he was not sure either that it would not devote itself primarily to magnifying the office of the Civil Servant or that it would serve any public purpose. His fear was that it would prove to be merely another staff organization.

Thus he was anxious as to how it would be regarded by the public, and whether it would not excite a degree of hostility that the Public Services could ill support.

Again he had been faced with a fundamental difficulty in deciding whether it was possible to mark off public administration in such a way as to justify the existence of an Institute and to enable useful study of it as a science to be undertaken. More mature consideration had brought him to the view, which Lord Milner had confirmed, that it could so be marked off. It was so distinguished first because the motive of self-interest was absent,—because the incentive of personal gain was not the dominant factor. There was plenty of evidence in support of the view. During the war, in spite of many misgivings, the whole of the Merchant Shipping Service was taken out of the range of private profit and was handled in the domain of public administration. The private owners had responded remarkably well to the call to put on one side their old incentives, and to work for the good of the community, but he was bound to say that he did not know how the enterprise would have worked if it had not been for the strong stiffening of men brought up in the authentic atmosphere of public administration and who infused their spirit and their tradition into their new colleagues.

In the second place, he recognized, as Lord Haldane had said, that the development of democracy had created an entirely new situation, especially with regard to the limitations of parliamentary control. So that now public administration was a new thing and an aspect of activity entirely distinct from anything else.

He was now satisfied that there was a place for the Institute and that it had been conceived in such a spirit and with such a programme that the dangers he had foreseen would be guarded against. He thought the Institute would serve a useful public purpose, that it would not be wrongly regarded by the public, that it would be properly accepted by the Service, and that, finally, it thoroughly deserved support.

Regional Branches

Letter from the Principal of Birmingham University

THE following letter on the work of the Institute was received by Mr. John Scott from Mr. Grant Robertson, the Principal of Birmingham University—

5th March, 1923.

THE UNIVERSITY,
EDMUND STREET,
BIRMINGHAM.

DEAR MR. SCOTT,

I am obliged to you for your letter, and, as I explained to you orally, I very much regret that I cannot be at the meeting on 14th March, when you are proposing to inaugurate a Regional Branch of the Institute of Public Administration for Birmingham and the District, but I shall not be in Birmingham on that day.

I am very glad to know that our city is moving in the matter. The objects of the Institute of Public Administration are of the greatest importance to-day. During the last few years I have been considerably interested in the organization of training for Administration in this country, and much regret how seriously we are behind the United States in this important sphere of work. The necessity of including training for administration—central, municipal, civic, and local—as one of the normal functions of a properly organized University, has not yet been grasped sufficiently either in or outside the Universities; and since I came to Birmingham I have been particularly impressed with the importance of the provincial Universities, in view of their situation, their academic and civic relations to the large industrial areas in which they are situated, and their general trusteeship for everything which concerns the higher education in its relation to national activity, seriously taking up this aspect of educational preparation.

I have frequently discussed the problem with leading men of business in the public service outside Birmingham who are well acquainted with what is happening in the United States, and it does seem to me that a provincial University such as ours, ought to be in a position to provide a thorough training of a high standard as a preliminary for those who wish to enter public service, either national, municipal, or local; and it would be all to the good if Birmingham could give a lead to other big provincial centres and Universities, just as fifty years ago it inaugurated a new departure in Municipal life when the city took over great public services as a municipal function.

From the University point of view it is simply a question of money; but before we can get that, the public must be prepared and must understand what can and ought to be done; and the formation, therefore, of a Birmingham Branch in this big educational movement is all to the good.

I hope your meeting will be completely successful and will be the starting point of securing public support in Birmingham and the Midlands for the programme set forth by the Institute of Public Administration.

Yours very truly,

C. GRANT ROBERTSON.

The Treasure House

WITH the gradual assumption, as communal services, of the whole range of education from the nursery school to the university; of the organization in parks and open spaces, in libraries and museums, in music rooms and picture galleries, of recreation and amusement; of a general provision, not merely for the treatment of the sick, but also actually for the promotion of health of future generations as well as of the present; of town planning, local transport and housing, not merely as the correctives of slums but as the creators of the city of to-morrow; and, last but by no means least, of the supply of water, gas, electricity, power, and local transportation as necessary adjuncts of municipal life, the whole scope and spirit of Local Government has been transformed. Merely in magnitude and range of affairs the Local Government of 1922 is much further removed from that of 1836, than that of 1836 was from its predecessor of 1689. The ten or twelve millions sterling of annual revenue of all the English local authorities on the accession of Queen Victoria have become the three hundred million pounds of gross receipts of the local authorities of to-day; the few thousand persons whom they employed, for the most part contractors and low-paid labour, have grown into an average staff, at salaries or wages of something like a million on the pay roll of 1922, comprising as many as one in fifteen of the entire working population; whilst the capital administered by the various local authorities of England and Wales, formerly infinitesimal, now exceeds in value fifteen hundred millions sterling. With this growth of Local Government in magnitude and variety; and especially with its expansion from essentially repressive or eleemosynary functions into the communal organization of the city life, new classes have reinforced the municipal service, both as elected representatives and as officials. The wage-earning class has, in the twentieth century, not only supplied from its educated children the great bulk of the new hierarchy of Local Government staffs; but has also, by electing to the councils its trade union officials, and sometimes by providing for its representatives a modest salary, increasingly managed to overcome the barrier presented by property qualification and the non-payment of councillors. And Local Government in its modern guise, with its new and larger aims and vaster problems, has come to attract, both as elected representatives and as officials, ever more and more of the ablest and best trained intellects, who find in its service, whether paid or unpaid, an inspiration and a scope actually superior, in their own estimation, to that offered by the pursuit of pecuniary profit. In short, English Local Government, in 1832-1836 handed over, in effect, to a particular stratum of the middle class, has gradually become representative of all the best sections of English life.

"English Local Government: Statutory Authorities for Special Purposes,"
by Sidney and Beatrice Webb. (London, Longmans Green & Co.)

* * *

If the problems of the world are too great to be solved by the present methods of government, which do not bring the ablest men into the service of the public, we must find some method of calling forth the greatest talent, the super-man! This type of man is abroad in the world, and will assume the responsibility when called for by the world's necessity, but such men have seldom if ever been willing to undertake a political campaign in competition with loud-mouthed demagogues who offer to achieve the impossible.

The League of Nations must find the best men from everywhere to fill the position of comptrollers of finance and commissioners. The League will have at its service the benefit of every accomplishment of the world and with the progress made in recent years in psychology serious mistakes in the selection of officials can probably

The Treasure House

be avoided. It will have, in many cases free of cost, the benefit of the thought and service of the best men and women. It must avoid red tape and must not become bureaucratic. It can work out standard state budgets, which the taxpayers of the different countries can understand and compare. All progress in human knowledge can, through its organization, be quickly made use of by all countries. It can solve through super-men the big problems of the world and leave to democracy the matter of local self-government.

When the people of the world will learn that an intelligent and just body of men is prepared to help them the day of the demagogue will be limited.

"Commerce and Finance" (New York).

* * *

The growth of mammoth businesses has made the administration of such businesses in many respects comparable to the administration of State departments. Moreover, the increasing regulation of industry by the State, the absorption of the State in industrial affairs, the direct control of Labour by the State, especially during the war, and the increased staffs of Government departments have combined to approximate Civil Service conditions of administration to those we find in industry.

Two further factors of note are developing in this connection: firstly, the growth in industrial administration of standard methods of procedure for the execution of administrative work, in many respects comparable to the routine procedure of a Government office; secondly, the increasing publicity and consequent criticism of industrial methods—a publicity and criticism which the Civil Service has long endured, and which have profoundly influenced its methods of working. Both of these factors, as regards industry, show every sign of development. The indefinite methods of administrative working, which have long distinguished the conduct of industry from the conduct of the State, cannot longer survive in the larger industrial corporations. Standard and definite methods of carrying out the routine of administration are becoming essential in those concerns which have developed to a size where control has had to be widely delegated.

Similarly, it is impossible to be blind to the growth in recent years of publicity as regards industrial affairs—a development which cannot but influence industrial methods of management in some such way as it has for long affected the methods of government. In the case of the latter, whilst exercising certain beneficial effects, it has also had that insidious result of perverting the sense of relative values, so that the smallest matters receive a consideration equal to the largest. The same danger confronts industrial administration. In large businesses it is no uncommon feature to see committees and individuals devoting valuable time to the smallest and most insignificant matters. Why?—largely because it is felt to be necessary to review every little matter with the same scrupulous care as would be given to matters of high policy, in view of the impression that might be created upon the workers in industry and the public at large. That such consideration should be given is to the good, but that it should be given irrespective of the relative value of the matters under review is an indication that the same danger confronts industrial administration, and for the same reason, as confronts the Civil Service.

This is not the place to consider in detail the organization of government, but it will not be inappropriate to note certain tendencies and make certain comparisons, which the staffs of large businesses may do well to consider further. The comments made in the McDonnell Report of 1914 are significant in this connection, and serve to indicate how far the war has carried industry in the direction suggested. The Report advances four main reasons why the Civil Service cannot always apply so-called "business" methods to public administration. The first point is that public administration is not conducted for profit, and therefore commercial criteria of success cannot apply. A new motive in industry is gradually eliminating this distinction. Though industry must always be conducted for profit, there is no reason why profit should always remain the sole motive. Industry must pay its way, but so also must a Government. In any event, the utmost economy in

The · Journal · of · Public · Administration

administration is a necessity common to both. A few years have carried industry into a new atmosphere. Unlimited profits, if still taken, are beginning to be looked upon askance. Neither Press nor public are longer inclined to regard them as the only measure of successful industrial enterprise.

"The Philosophy of Management," by Oliver Sheldon (Pitman).

* * *

When the local authorities were first created their members had had but little experience in administration, and it was reasonable that their proposals should be submitted to Government departments for consideration and approval.

The situation is now very different. Local authorities are composed, in the main, of men and women with wide experience of local administration. They have in their offices directors, medical officers, architects, accountants and the like who know their work from A to Z, and, in addition, they can always consult their central associations. In spite of the altered position, the control of local authorities by Government departments has become more stringent, and there are no works they can now carry out without the approval of one or more departments.

Let me take a concrete example. A local authority is in a position to acquire for £5,000 a large disused house, which will meet local demands for (a) administrative offices; (b) an infant welfare centre; (c) a school clinic; and (d) a cookery centre. They propose (e) to raise the purchase-money by a loan. Each of these items lettered (a) to (e) is dealt with, I am told, by a distinct and self-contained section of either the Ministry of Health or the Board of Education, and the proposal would normally be referred to not less than sixty officials; counting references back, this number would be increased to one hundred. Approval—or the reverse—would be given by items, or groups of items, and no one official would be in a position to review the proposal as a whole. It would scarcely be possible for the authority to receive a decision under three months.

The Government officials who deal with these questions are highly competent and conscientious men, who have their subject at their fingers' ends. From their experience of the whole country they can often suggest improvements, which may or may not add to the cost, and, occasionally, economies. Their decisions are, however, primarily based on precedents, and thus tend to produce uniformity, and they are without the knowledge of local conditions which the authority and its officers possess. Nor, as pointed out above, do they have an opportunity of considering a proposal as a whole.

My view is that the time has come to introduce legislation which will make local authorities autonomous in the matters of the organization of, and expenditure on, health, education, and the like within their areas. The Government grant should be a block grant, and while it would be necessary to retain a certain number of officials to check and revise these grants from time to time, it should be feasible within, say, ten years to reduce the staffs of the Ministry of Health, the Board of Education, and the Home Office by three-quarters. It is possible that there would be examples of extravagance or the reverse, but local administration is in the hands of elected representatives, and the common sense of the electorate would be quick to check undesirable developments.

Wm. Lawrence in "The Times."

* * *

It must be the duty of chosen men to offer, and the duty of responsible ministers to consider, advice on the great topics of national and Imperial welfare. Responsibility for administrative action can never be removed from Government, from Parliament, and from the nation itself; but to take, or to neglect, action, without the best counsel and consideration that can be found, is a responsibility that should be felt to be too great. Wisdom is the beginning of efficiency. Science in its widest sense is essential to the commonwealth—not only in its simple application

The Treasure House

to details of health, of industrial processes, of the arts of war and peace, but also as the guide of policy, the arbiter of principles that are to govern action. It may, indeed, be no easy task to carry out, through the machinery of representative government, and in the conflicts that make up the nation's public life, the policy that the highest wisdom dictates. But it is possible to make the voice of mature knowledge and scientific judgment more clearly heard in our councils. If it be heard, it will not be neglected wholly; "and then only will this our State have a possibility of life, and see the light of day."

*From "Science and Administration" in "Science and Public Affairs,"
edited by J. E. Hand (London: George Allen & Unwin, Ltd.).*

* * *

I desire to protest with the utmost emphasis against strictures of that kind and particularly against the recent newspaper outburst in connection with the Blue Book containing the Auditor-General's report on certain trading accounts. Many leading newspapers have disgraced themselves in their comments on that Blue Book. They have taken for granted, quite rightly, no doubt, two things. First, that the general public dislike Government departments and Government control, and are quite willing to hear all that can be said against them, and secondly, that the public will never know anything about the contents of a Blue Book except what the newspaper tells them. Our leading journals, therefore, and especially the London Press, have not hesitated to extract from the 225 pages of the Blue Book those few paragraphs, equivalent in all to one or two pages of the book, which are best calculated to produce the impression that the Auditor-General has revealed an orgy of waste and mismanagement. *The Times* gravely declares that these revelations are by themselves a sufficient basis for passing a final condemnation upon State trading. No unprejudiced and competent reader could possibly arrive at any such conclusion. It is true that the Auditor-General in the discharge of his duties records certain discrepancies which have not been satisfactorily explained to him by the departments, and some of which no doubt indicate gross blunders involving regrettable loss to the State. The total of these losses, excluding for the moment the losses attributable to falls in market prices, are on the highest possible computation considerably below £1,000,000, and in many cases the department concerned has made out a very plausible defence. The total amounts handled by the departments in question, according to the accounts published in the same Blue Book, exceeded £2,400,000,000 sterling, so that on the very worst showing the losses attributable to office blunders were less than one twenty-fourth per cent.

Sir Arthur Goldfinch in "State Control in War and Peace."

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As an essential part of any large scheme of decentralization and redistribution of power and finance, the English local administration would have to be reorganized in the direction of more equalization of its units, because it would not be possible to confer upon small local authorities the powers and responsibilities which could safely be given to larger ones. At present, within the counties, there are Urban District Councils, Rural District Councils, Boroughs, and County Boroughs. All these strike their own rates for their own objects, and correspond with and are directly controlled by Whitehall officialdom. The London County Council is subject to the same control as a cathedral city of twenty thousand inhabitants. It adds to the confusion that while all secondary education is in the hands of the County and County Borough Councils, elementary education is in the hands of County Councils in rural and many urban districts; but in the boroughs is managed by their Councils. Amalgamation and condensation of power is needed. The necessary units for provincial self-government are (1) great cities, and (2) counties, or county divisions. No great sentiment is attached to rural or urban districts,

The · Journal · of · Public · Administration

modern creations, and it would be easy to transform their councils into county sub-committees, but towns which are not large, and yet not very small, and have an ancient identity, might require more delicate treatment. There should be financial economy in the absorption of minor authorities in larger ones, because so many district official staffs would not be needed.

Bernard Holland in the "Edinburgh Review."

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The joint education of representative employers and workpeople by meetings and common objects must be valuable. If a criticism is made, the whole chance of the success of Industrial Councils lies in the way in which they are worked. If the aim is mutual co-operation and joint effort, and that aim is continuously kept in sight and broadly interpreted, an industry in one way or another may be improved by the existence of a council. If the council is used to maintain two camps, and during a period of advancing wages and prosperity only employed for purposes of pressure, with an inevitable deadlock so soon as the demands become greater than the trade can bear, then ultimate disintegration will ensue, and possibly a worse position than before the advent of a council. This position, according to recent accounts, was nearly reached in the pottery industry, for which so much success has been claimed. It will be the spirit which counts, and I do not agree with the criticism that the councils may form combinations to mulct the consumer and hurt the public at large; but many employers will prefer to stand outside the councils and deal with their workpeople on methods which will give opportunity for individual advancement, initiative, and reward, without the possible restrictions which associations are apt to imply.

Lord Askwith's "Industrial Problems."



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THE election of Sir Alexander Lawrence as chairman of the Council of the Institute and of Mr. Montague Cox as vice-chairman completes the working organization. Sir Alexander Lawrence has already served the Institute on the Rules Committee, and he will bring to the chairmanship his specialized knowledge of the constitution of the Institute applied to practice by a singularly acute mind and a wide vision. Mr. Montague Cox has been concerned in all that occurred in the foundation of the Institute since the first inception of the idea. He brings to his new responsibility a particularly sympathetic knowledge of the relation of municipal administration to central administration. The first elected council begins its labours with admirable leadership. The various committees have been strengthened and the relationship between them more definitely laid down so that the organization, which already has proved its efficiency, may function with more direct authority behind it.

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One question which was raised at the annual meeting calls for notice. It was pointed out that the work of the Institute tends to be rather remote from the day-by-day labours of the ordinary civil or municipal servant. To this it might be replied that this is of the essence of science or philosophy, and that the pragmatic application of the scientific or philosophic principles is a different matter. For our own part we are not disposed to make this reply. It seems rather that it must be the work of the Institute to deal with the application of methods to the ordinary process of administrative work. The subject which was mentioned at the annual meeting—the art of public speaking—might possibly be a suitable subject for instruction, though it would hardly appear that there is a call to the vast bulk of us to be public speakers. Yet there is a great deal to be said for a study, in its proper perspective, of such conventional arrangements as registry work, files, records, dictating to shorthand writers, the preparation of minutes, and the like. It may seem to be humble work for an institute, and yet it is the fact that methods have grown up which would be none the worse for overhauling. We hear the persistent suggestion that Government direction of affairs—what we call “administration”—should be possible without bureaucracy. It might be well if we faced this question for ourselves.

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The delegates who are to confer on the best means of forming and maintaining a link between the Institute and the University of London

The · Journal · of · Public · Administration

have met together. Sir William Beveridge, Professor Graham Wallas, Mr. H. J. Laski, and Mr. H. B. Lees Smith represent the University, and Lord Haldane, Sir Stanley Leathes, Dr. B. N. Allen, Mr. A. C. Stewart, Mr. John Lee, Mr. W. B. Abbott, and Miss E. A. Ford represent the Institute. Already the London School of Economics has prepared a syllabus for 1923-24, which will include lectures on the British Constitution; Political and Social Theory; Public Administration; Local Government; the Government of the British Empire; Comparative Government; the Elements of Central Government; Constitutional Law; Public Finance; French Colonial Policy, and the Colonial Civil Service. As a first draft this is an admirable programme and the intention is to extend it. The object of mentioning it at the moment is to encourage those who are directing the regional branches to open up similar negotiations with their own universities. Already several of the universities, both old and new, out of London have expressed their readiness to help, and it may be useful to know what is being done in London.

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Life has some disappointments. That aphorism may lead to the breaking of a small sigh amid much cause for gratification. The establishment of a feature to be called "The Forum" for the general discussion of questions of interest to the members was done very deliberately and after much careful thought. One of the objections to it was that so many contributions would be received that the JOURNAL either would be swamped or considerable pain would be caused by rejections. It may be said as a certainty that no pain has been caused by rejections for this issue. We shall be patient. Perhaps as the life of the Institute grows our members will learn articulation. On the face of it there would appear to be some ground for the general opinion that the public servant is a mechanical unit, a sort of Robot, created by the State, who is indifferent to ultimate purpose and innocent of enthusiasm. For the best of all reasons we reject this explanation. Wherever two or three public servants of any kind are gathered together there is anxious and virile discussion.

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Mr. Merson, in an article in this issue, suggests that public servants "are the children of a system which has never occurred to them as a subject for scientific investigation." This is probably the true explanation. They are executively efficient, but they are creatures of routine. The very virtue of the English system, startling as it is to Americans, is not without its darker side. Like Nature, it is careless of the individual. At the same time the individual cannot put all the responsibility on

Notes

that vague entity "the System." If he is content to have it so the system will become even more relentless. The *Nation*, under its new leadership, has assigned to the coldness of May a certain alleged lethargy in Government departments, for fires were not to be lighted and the public servant had to comfort himself with the reflection that cold hands indicate proverbially a warm heart. But warm hearts are not useful for handwriting. So we will put down to the relentlessness of the regulations as regards fires the absence of communications for "The Forum."

* * *

The summer school is to take place at Trinity College, Cambridge, at the end of July. An admirable course of lectures has been arranged, and there will be ample opportunities for friendly social intercourse. It will be a favourable opportunity for the two wings of the Institute to meet together and for the members of the regional branches to come into close touch with the members of the central branch. Such gatherings are essential if the life of the Institute is to be fostered as a vigorous inspiration. We are answering the eternal question—*Cui bono?* The corporate life of the public services hitherto has only existed in its aspect of defence. There is a higher mutuality which needs to be brought into the foreground. The summer school is a worthy pioneer movement to this end, and we commend to readers the full particulars which are given elsewhere.

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There is a notice of the Haldane Prize in the advertisement columns. The Council of the Institute attaches great importance to this competition. It is the first step towards the discovery of administrative thought in the services generally, that is, the provision of means for its articulation. The subjects have been chosen so as to give the fullest opportunity to competitors, and apart from the honour of winning the prizes there is the satisfaction of making a contribution to the study of public administration in such a way as to ensure its responsible consideration.



The Contrast Between the Administration of Business and Public Affairs

BY SIR JOSIAH C. STAMP, K.B.E.

[An Address delivered at the School of Economics to the Society of Civil Servants.]

I CAN well understand that you welcome civil servants to address you upon this platform, and also that you would welcome business men to address you, but that you should welcome a sort of renegade civil servant seems to be the maximum of charity. I have heard of a converted burglar doing quite a lot of good amongst certain classes, but I have never heard of him being turned loose amongst the burglars.

I feel that I am in a difficult position in discussing this subject, because so many of you know so much more than I do about the administration of public affairs, and I have been such a short time in business that I cannot claim to be an expert even in that. The chairman said some of my merits had been "recognized," but the things that have been recognized I know in my own heart to be merits I do not possess, while people persist in ignoring what I look upon as my small stock of real "virtues." The usual discussion upon to-night's topic brings out two features: that the current fashion is for business men to revile and jeer at the Civil Service and Civil Service methods, while I am not sure that there is not something in the nature of a retaliatory fashion for civil servants to look superciliously upon business men and their methods. That does not carry us very far; that kind of thing never does, and I wonder whether we can get beyond an apologia on either side by seeking for an analysis of the differences in the purpose and aim or in the origin and setting of the two matters which will lead to different types of work and different types of men to do that work. If such radical differences exist, then the time for reviling has gone by, and if we can lead discussion out of that province we shall do some service. There is a society equally juvenile to the Institute of Public Administration, known as the Institute of Industrial Administration; it has only seen the light since the war. I have the honour of being on the councils of both of those institutes, and I am bound to say, after looking dispassionately at both, if the object of the Institute in each case is to study and classify the body of facts coming within its range and get them into that ordered whole which we designate a science—I am bound to say that neither of those institutes has advanced very far upon its task, or that one is

A Contrast

appreciably in front of the other. I should hesitate very much, therefore, to subscribe fully to a little suggestion in the chairman's speech, that there is a science of business administration, and that public administration has to achieve it and get up to that level. I must say I have not myself observed that science.

In the Institute of Industrial Administration there is an avowed desire to study the facts relating to administration and to lift them from—shall I call it—the “rule of thumb” sphere into an ordered body of knowledge to ascertain what are the methods that give rise to the best results and to make a study of the subject; I do not think on either side we can claim that there is yet a science fully understood and worked out in all its details. In that sense they start more or less level, and I suggest that neither side has ground for criticizing or reviling the other, because each might have its appropriate job, which is essentially different from the other. A dog doubtless looks with great contempt upon the walking and running abilities of the swan, and the swan would look with an equal contempt on the dog trying to swim. It is, roughly, such an idea we should have in the contrast between business and administration of public affairs, so I am not going to make up a defence on either side, but I am trying—not following the line taken in certain newspapers—to see what are the features or what we might call permanent deep-rooted differences in the very nature of the task. The usual reply of the Civil Service to criticism or explanation by anybody of the difference between business and Civil Service methods generally ends up by a reference to the Minister in the House, who has the responsibility for answering for the doings of his subordinates. It is undoubtedly an important feature, but there is something even more fundamental than that and of which answers to Parliamentary questions are a mere consequence—more trying perhaps—something which permeates the whole theory and task of government. The administration of an Act of Parliament, which, after all, is what State administration comes down to, connotes several things. It is usual amongst students of constitutional methods to divide off very sharply the administration of a court of law from that of, we will say, the ordinary Government department. As a fact, when you examine it in full regard to its origin in jurisprudence, a court of law is only a specialized form of the administration of law. “Judicial administration is merely a specialized form of general administration which has acquired an air of detachment.” We are all ready to laugh at the courts’ delays, and chaff or chafe, if you will, at the process of the Law Courts, but in our hearts we all esteem what that process stands for and believe it is the sole way of getting at that kind of truth and at a fair administration of the law. But on the other hand there is also a like principle of consistency entering into and incumbent upon the administration of its affairs by a Government department—a kind of

The · Journal · of · Public · Administration

application arising from the very root nature of the things with which it deals—that does not exist in business. No Act of Parliament to-day can, on the surface of it, legislate in precise terms for the application of its principles to every individual person and case, to whom or to which it will apply. That is quite impossible; and with the modern pressure upon legislation it is daily becoming even more impossible. Some of the old Acts used to try to get down to detail so that there would be no dubiety or difficulty in administering them. But that is now beyond legislative power; and we may say to-day that Acts of Parliament legislate in “lumps” or main classes, and what a Government department has to do, generally speaking—with the exception of one or two of the trading departments that I have little in my mind to-day—what it has to do is to *pulverize* those “lumps” into their detailed application to individuals over the whole area to which it applies, so that the Act is applied in the original spirit and with the same original intention to every case as if that case had been actually dealt with by the legislature. I have made a careful study of the authorities on jurisprudence, and I find that the later ones are beginning to discern and distinguish as a separate faculty of government what we may call “executive acts.” They recognize that to put to practical use and administer an Act of Parliament the State must delegate powers, but in the past they have often regarded executive acts as being essentially the same as administrative. As a matter of fact they are absolutely distinct. The *decision* as to what is to be done and then the *authority*, the order to do it, to carry it out, are quite different things. What we get in a well-ordered Government department, both in this country and abroad—and I am not thinking particularly of our own country—is the Civil Service as a kind of hierarchy of officials in which you start at the top with discretionary and administrative power and no executive function, and come down through grades of officials, each having a more limited but minutely defined range of discretion, until we come down to the lowest people who act or carry out and hardly have any discretion at all. Still, it is difficult in looking at State affairs to find a grade of officials so humble but what they have some discretion. I suppose the policeman on point duty is an executive officer, with his duties closely defined, but nobody who has been rushing to catch a train would say he had no discretionary power when he held up their taxi at the wrong moment.

If you will look into the functions of Government, you will see that as you get down to the people who are in contact with the public on the particular function in question, their discretion is finely limited. On the general distinction I have given on this platform a story before—and may be permitted, perhaps, to repeat it—of an individual appointed as chairman of the Board of Customs, who, upon frequently being faced with any problem beyond his powers and knowledge, would make

A Contrast

the following minute: "Let the proper officer take the proper action." That is much more than a joke. It is a clear illustration of the point I have been trying to make, that, derived from principles of legislation or jurisprudence, there are two functions—the discretionary and the executive. What the chairman tried to do was to hold himself up in a kind of constitutional mid-air *between* those two functions. He had to do one of two things, but really did neither. He had either to state definitely what the proper action was in that particular case, when it would automatically have been within the sphere of the executive officer whose duties included actions of that class; we should have known that such and such a thing was the line of action—then it would be for Mr. Jones, whose particular case it was, to take that up. Or he should have said: "Mr. Jones is the officer I designate to study this case and decide the nature of it." He did neither. He neither gave any inkling of what the proper action was nor defined the proper officer, and therefore he failed by falling between those two functions, giving rise to that particular dilemma. Why am I labouring this point? What we understand by administration is the settlement of detailed principles and promulgation of policy and decisions as to what ought to be done, with covering instructions for doing it, while the executive functions are the distinct functions of working out those instructions in individual cases and thus carrying out those decisions. To a very considerable extent, of course, in the average responsible official these two sides are merged. Any official who is occupying any position of importance at all has both those aspects constantly in his mind. He stands in an administrative capacity to those below him, he decides what has to be done by them and gives them instructions, but he stands in an executive capacity to those above him, and he receives instructions of a larger and more general character. There is no difference between the Civil Service and business affairs so far. The heads, the boards—those who decide the policy—call for a particular official. They say in effect "We do not care how you do this, but we have decided that is what you have to do," and he in turn gets his assistants together and says "This is the job we have to do, I split it up and you study and do this and you study and do that," and each of them in turn performs the progressively minor function with his subordinates until we get down to the office boy, and he, having no one to devolve a smaller fragment of discretion upon, thinks he is doing the whole job; and very often he really is!

I have said just now that just as the law itself should apply equally to all subjects coming under it, so there is an obligation that the discretionary application super-added to the law by those who "*work it*" should be uniform and not erratic. The real problem is, having to discharge legal functions executively, through a large number of agents,

The · Journal · of · Public · Administration

how on earth are you to make those agents act with one mind? If one person could administer an Act, and had the time to see everybody concerned by it in the whole country, he might administer the Act quite fairly, or without anomalies, to everybody; but obviously that cannot be done, and recourse has to be had to the "pulverization" which I mentioned, by means of which it goes down to smaller and smaller people, and the danger is that in the process the discretion may become distorted in the hands of different individuals, and they may not carry out their functions in a uniform way—in England, Scotland, and Ireland. The obligation, of course, to administer the Act uniformly is just as great in the department as it would be in the Law Courts. The legislature can discriminate in its wisdom, or its unwisdom, between classes, but the administration cannot. Any discretion it has at all has to be exercised as a distinction between cases evenly and smoothly over all classes. Thus you have running down from the top to the bottom this obligation to uniformity or principle of consistency. I use the word "consistency" in preference to "uniformity" because people can be uniform in an illogical way. Consistency means reasoned relation between decisions for one class of case and decisions for another class, wherever it is a case of degree. If one person had to come to decisions, we might get, indeed, the scientific error of the "personal equation": one person would be too hard or too lenient to everybody with whom he dealt, but we should stand the chance that his decisions would have a logical or uniform relation between the parts—just as one examiner examining a batch of papers may mark one batch of papers higher than another examiner would. His group would, however, be more consistent with each other than if several examiners marked the papers without relation to each other. So the more persons to whom the function of discretion is delegated the more chance there is of not getting uniformity; and it is clear that if some general methods of principles have to be promulgated, then the more subordinate the ultimate user of the discretion, the more by training and character he will be unequal to the responsibility. The more minute then have his instructions to be, and you get at once what is described as a "wooden" or "inelastic" system. If for the sake of economy you allow all your final actions to be in the hands of comparatively uneducated agents, it is obvious that you get that irritating state of affairs that even if the monarch says "I am the King of England," the reply is "My orders are not to let you pass," because the agent can be given no power whatever to distinguish. This state of things one gets markedly on the Continent. Then, again, the wider apart the officials perform their work and the less they are able to be kept in touch with each other the more difficult it is to keep this function exercised smoothly and identically throughout. This feature is one of the elements in the problem of

A Contrast

centralization *versus* decentralization. It is one of the factors which leads to a narrow specialism which is high in the value of its immediate results, but pernicious, perhaps, in its wider influences. I should like to give an illustration to show how the principle of consistency would work out in detail in cases with which I have been familiar.

You first of all have to be consistent in your view over the whole range of possible action. Wherever there is a question of degree, there are two extreme points, and the majority of actual cases lie at various positions between them. I use as an illustration—which is familiar to some of you here to-night—the penalties for infringements of the Stamp Acts. It is decided that all documents which are to be recognized as having any kind of legal validity must bear an impressed stamp according to legal schedules, *ad valorem* or otherwise. The legislature decides that the penalty for not stamping the document within the prescribed time of its execution should be something undefined but not exceeding £10. It realizes that it is impossible to lay down in the Act of Parliament all the conditions in regard to penalties to be imposed in every particular type of case, and therefore places discretion in some administrative department. There are at least three different lines of thought, different possibilities, different things that have to be watched. If £10 is the *maximum* penalty, one would generally imagine that it is not the commonest penalty, in fact, and that there will be a gradation of penalties from “nil” for some quite simple insignificant infringement of the rule up to the full £10 penalty. Perhaps the first question that would come up in a thing like that would be the length of time the stamping of the document was overdue. Obviously, if a document is brought in several days after the due date, the offence is different in degree from a lapse of several months or years. Then there might come a difference in the amount of duty to be paid. It would be quite absurd to apply the same penalty upon a sixpenny stamp omitted as upon £600 on some important document, though here, indeed, the Act does not give much scope for the punishment fitting the crime with a maximum penalty of £10 unless some function of the duty is also added. There is also the degree of blameworthiness, quite apart from the importance of the duty, that is to say, the moral nature of the default, ranking from mere accident and negligence, then through varying forces of circumstances, up to the actual and clear intention not to get the document stamped at all unless it should be required for production in court as a last resort—a naked intention to evade. This means that every effort is made to dodge the duty, and the only likelihood of its being paid is when the document has actually to be relied on in an action. Now the combinations and permutations of these three factors may be very varied and complex. Take the first dimension of consistency—you have a continuous line from nothing up to £10 for the different degrees

The · Journal · of · Public · Administration

of offence and the differences themselves are of three orders—amount of time, amount of money, and amount of intention. If the department put a penalty of 3s. on a document that was three days overdue, and then a penalty of £7 on a document that was four days overdue, you would say there was something lacking in “consistency,” and I can imagine a question being asked about it in the House of Commons the next day. “Is the Chancellor of the Exchequer aware, etc., etc.,” and his reply that owing to the usual responsible officer being on leave, and through exceptional pressure of work, the case had been dealt with by a subordinate not so fully experienced—the necessary steps had been taken, and so on. Or perhaps he might be able to say that there were “circumstances in this case of which my honourable friend is apparently not aware which distinguish, etc., etc.” The second dimension of the principle of consistency is that this line of action which we have established as the first dimension—this consistency between the extremes of “nothing” and £10—must be carried forward unbroken over a given area—the whole area to which the Act applies, and therefore the machinery of the administration must allow of that consistency being carried out in the same way over that whole area. Think of the much more invidious question which would arise in the House upon some anomaly as between what had been done in Carnarvon and London, or another injustice to Aberdeen. The third dimension is that of time. How irritating it would be if in the month of January you were to exercise the discretion of penalizing a document very severely, whereas in June you were to deal lightly, or in 1922 you did it in one way and in 1923 in a different way. You can see how that would give rise to public criticism. “Is the Chancellor aware that under the late Liberal Government the penalty for not stamping such and such a document was usually £2, whereas under the present Government of landlords it is only 5s., and will he explain, etc.” The fourth dimension of consistency, like the fourth dimension of physics, is less obvious, and not so easily grasped, but will in the course of time probably become more highly developed. It rests with the legislature rather than the administration, for it consists in making the punishment fit the crime, for different *kinds* of crime. If you look at the different kinds of offence, the statutory penalties vary tremendously with regard to the seriousness of the offences in a way that would not be tolerated if they were given connected and co-ordinated consideration. But that is not a matter that comes within the subject for discussion to-night.

Now, what about the ordinary business; is there any such obligation resting upon business administration? Well, except for businesses whose goodwill depends upon the maintenance of an exact absolute standard, there is no compulsion on a business firm to sell, say, margarine of exactly the same composition or quality or flavour in 1922 as in the

A Contrast

year 1918; it is not sold according to the standard of an Act of Parliament; there is no actual compulsion upon a business firm to render service except along the lines of least resistance. It has not to bother about that consistency at all. I am not thinking of the analytical composition of a standard soap or other standard article, but I am thinking of the necessary attitude of the executive official and of the individual member of the public whom he serves towards each other. The business man will consider what the "traffic will bear" for a given price. He can say "We have to be very pushing in Yorkshire because there is such and such competition there, but we need not bother about Somerset and Devon, because there we are all by ourselves protected by custom or transport." He can be quite inconsistent with them, and can be inconsistent with *classes* of people. I think that everybody could supply illustrations of cases where businesses had not an identical way of treating customers who brought back articles which they thought were not quite up to the standard they expected when they bought them. When trade is booming and orders are full, the business can be quite aggressively independent—another time it may be only too glad to put matters right, or the manager may think of the class of customer, if he has been, or promises to be, a valuable one, and can act accordingly. We had some lessons in the war upon the different attitude which a retailer can, perhaps unwittingly, adopt, in different circumstances.

The next thing is the problem of magnitude. The nearer you get to the magnitude of a Government department serving the area of the whole country under one central direction, that is the nearer you get to the type of business like a bank, insurance company, or a railway, the closer you get to Civil Service methods, and the more you get away from the methods of the merchant's office or those of the retail shopkeeper; but when you speak of "business" it is rather desirable to define the particular kind of business you mean. In these remarks I am thinking mainly of ordinary commercial establishments. They have not anything like the problems before them—the problems that arise from magnitude, the management of very many people under one control, and all the problems with which the modern civil servant has to be specially familiar. This alone brings also the problem of overlapping, the existence of which is lost sight of frequently by business men. A business has not to bother whether it is treading on other people's corns, it simply goes straight ahead, and if it finds it overlaps somebody else's trade area of manufacture, and is losing in consequence, it can draw in: it has not to draw a hard and fast line as to where functions begin and where functions end; but a Government department obviously is different, for it is soon talked about if two departments are tackling the same job; it is open at once to acute ridicule on that score. I noticed many business men during the war in Government departments, and they nearly all

The · Journal · of · Public · Administration

of them made that mistake. They imagined that they were expected to show "superior qualities" to the civil servant, and their idea was to "get on with the job"; instead of having long preliminary consultations with all the different departments, they would say "This is where we are going to start," so they went ahead, and found later that they were treading upon everybody's corns, and there was much trouble in consequence. My particular job related to Excess Profits Duty, and it was amusing to see in Departments to which control had been given over a particular product—whether wheat, flour, or coal—that the first thing the gentleman in charge did was to retire into a back room with his confederates and decide that it was desirable to "tax" that particular product or limit profits of some and subsidize others; they would then discover, after their preliminary efforts, that there was a department which thought it had a monopoly of the particular task of taxation, and it was quite amusing sometimes to see how reluctant they were to give up something that they thought was a nice set of rules—something better than the Inland Revenue Department could have for the same task.

✓ The ordinary business man in the conduct of his business has not to bother whether he treads on other people's corns. He can have an actual problem of overlapping within his own business, but that is different, because there is less public criticism against it. In a very large Government department where a number of people have to perform similar functions the problem of getting the members of the public into the right pigeon-holes and right office is often a difficult one. If you are dealing with them alphabetically, it is easy, but not so if division is by the class or character of case. The man at the door is not an expert, and when they explain the object of their call to him, they do it badly and then find themselves in the room of the wrong official, when it is discovered that it is somebody else's job. The poor member of the public is hustled off down three or four flights of stairs and along various corridors, and it strikes him as being frightful red tape and a deplorable waste of time, and he contrasts it with the simplicity of going into a shop and asking for a box of pills. But that problem is a problem that is inevitable in government, and it is not by any means as bad in this country as it is in others. Even a large commercial business is not free from problems of classification. I went into a large London store to get an ordinary wood and brass letter rack for hanging on the wall, and I was referred from one department to another six times before I got down to the right department. I was told "I think that is kept in the jewellery department or fancy or stationery department," and then I had to walk many steps, and finally got to the ironmongery department. In another well-known store, I went to get a particular kind of leather reviver, and I was referred five times before I arrived in the groceries department and

A Contrast

found it amongst tins of tongue and soup. So that the problem of classification in the large businesses sometimes gives rise to results which remind me of that classification of Customs which put the tortoises with much livelier if less agreeable associates.

There are four types—if I may give them quite briefly—of administration which the principle of consistency may lead to and has led to and is leading to in different parts of the world. You may in practice attempt to get over this difficulty in four ways—

First, by a code of minutest rules to cover every conceivable case in a decentralized executive without administrative discretion. Officials have to look up the existing letter of the instructions to find where your case falls, and if they can fit it in every detail, they can tell you what is to happen to you. It gives a poor type; it leads obviously to elaborate machinery and a crowd of officials; it is wooden and inelastic, and I think it is bad. *Fell* says—

The fact is that mechanical institutions and methods do not respond to life, and one of the failings of civic enterprise of any sort is that it has to be legal, mechanical, and in consequence lacking in those incessant, delicate and particular adaptations which are of the essence of healthy and vigorous life. Furthermore, and in consequence, the State, when it really attempts to consider the whole public is compelled to operate by means of averages, which in theory satisfy everyone, but which in reality satisfy nobody, and in the case of many inflict an actual injury.

The second way is by a decentralized executive under the constant supervision of a travelling inspectorate, supplying the administrative element. That has much greater elasticity.

The third is by a highly educated decentralized staff given wider discretion under moderate control. You choose a young man of considerable mental powers and you pay him a good salary and put him out "on his own" when he has to exercise discretion just as though it were being exercised at the head office—a good commercial method, but for government a very expensive type, and a type that has not been successfully evolved at moderate cost in any country—the nearest to it is this country.

The fourth is by a high degree of centralization so that every subject affected has to have recourse to a central office. You can have everybody in the office ready to consult each other and always able to decide amongst themselves and keep uniformity in that way, but you thus make everybody come to them at that central office. The great point of difference between the Excess Profits Duty in this country and in the United States has been put to me by Americans in this way. On inquiry into the cause of the *comparative* unpopularity in the United States of that duty one got down to one of two things—that nobody outside Washington had power to settle anything, and everyone over that vast Continent had either to indulge in interminable correspondence or to

The · Journal · of · Public · Administration

make long journeys to Washington. This threw a great burden on the centre, and it made the public extremely dissatisfied. In this country, on the other hand, there was a highly efficient, moderately paid expert in all the local centres, who had very wide powers to settle things, and this system was kept in touch under the second line of procedure I discussed, to serve the principle of uniformity.

I have dwelt mainly on the principle of consistency. I think it is the least realized, and most people run away upon the superficial appearance of things. But I should like to deal also with two or three more absolutely differential characteristics. The second one is Extraordinary financial control. From a constitutional point of view, this is a control by one authority over other State authorities, the principle of finance we know as the Treasury control. It is so splendid that the Americans yearn for it, but I imagine some of us here would find it not so excellent as they imagine! What we call Treasury control has a certain cramping influence upon Government departments which is not experienced in business. I do not think I need labour that to such an audience as this.

There is no possibility of a Government department experimenting, shall we say "going off the deep end," in anything requiring monetary expenditure, in the same way as the business can. There the branch manager may come to the head and say "I have a notion that if I spend some money in a certain direction it will work out all right and prove a good thing." The head will reply: "I am not sure you are right, I am not quite in a position to judge, but you are there to make your place pay, and we are not going to dictate to you how to do it, but if you spend money, we expect to see a good result," and the man takes the risk of failure or success. No Government department undertakes any such change in its work; it has almost to prove itself a success before it may be tackled. You do not say to the Treasury in the ordinary way "I think this might be an improvement, and I think there is a fifty-fifty chance (as the Americans would say) of its paying." No, the Treasury say "Show us 95 per cent and we will give it to you," and in the long run they have to have Parliament behind them. Can you imagine the Treasury saying to a department "You are very slow and unenterprising in the amount of money you spend. We propose to give you 30 per cent more, now please make the best use of it next year"? This differentiates sharply between the two tasks of administration.

The third is the economic principle of the "marginal return." The business, as every student of economics knows, pushes its expenditure along a particular line as far as it is profitable to do it. It will say "So long as I can spend a pound along that particular line and get a return of 30s., it will do, but if that return is only 18s. it is time to stop," and the margin of return along the different lines of expenditure is the unseen

A Contrast

but effective governing principle of business transactions. But that is not the principle of Government; it can never be. Shall we take the illustration of a service which may either be in the hands of private individuals or in the hands of the municipality? Suppose it is the service of electric light and power, and you had no statutory control. Well, you are in a road where the cable has not been brought within 200 or 300 yards of you, and you would like the light, so you apply to the company and say "I want the electric light put on to my house, what will it cost"? They say £150. You say "That is too high," and they reply that if you get some of your neighbours also to have the light, it will come to £10 each, and then they will put it in. But you say "You are making enormous profits over the whole area. If you give me this at a loss, it will be covered by what you are getting over the area." Their reply is "No, we make every job pay for itself. We will extend to any area which shows a good profit." If it is in the hands of a municipality, it may still feel it necessary to make the receipts cover the expenditure, but it may think of this as a total and not a marginal result, that is, nobody suggests that every particular house is going to pay equally. They are content with the "swings and roundabouts" system, or in effect make the richer areas pay for those areas where there may be some poverty in comparison. The same thing applies to the Post Office—where there must be a large profit on the delivery of a particular letter in one area, and there must be a large loss in another area, it would be a hideous principle to have letters delivered on the principle of marginal return! The answer to complaints would then be "We cannot deliver letters to you, the drive of your house is so many hundred yards long, and it costs in boot leather for the postman more than we get back in the price of the stamp." The business man, however, says "I am going to get all the money I can in a profitable area, and why should I lose money in another area." I am not speaking of a monopoly, and I realize that a well-administered business will endeavour to create a new demand and will not be so short-sighted as to say that until people actually come and clamour they will not supply. They will, as a matter of future profit, say they are going to create amenities and make a decent place to live in. But the fact remains that as a broad principle the marginal return is the principle of business.

The fourth is the principle of ministerial responsibility. It is so well known that the least act of the most humble servant of the Government can conceivably become a momentous political issue in the House of Commons the next day! Everybody in the Government department is supposed to have done every act in the sight of the supreme authority. That is a little highly coloured, perhaps, but the fact remains that with the principle of Ministerial responsibility there is the necessity for the Minister to apologize for or to justify the acts of his department, and

The · Journal · of · Public · Administration

that fact must have, and does have, an extraordinary influence upon the personnel and whole character of administration. There is nothing at all analogous to that in business. It is true that an uncivil servant of the tramway company can be reported to his superior officer, but if it is not something quite glaring in the way of lack of civility, if it is some variation in the discretion the man has exercised, it is very rarely that that brings punishment upon the man. In Tawney's "*Acquisitive Society*," there is the comment—

As the users of underground and suburban railways know to their cost, certain railway companies habitually sell non-existent places in third-class carriages, and if, much against his will, the unfortunate traveller enters a carriage of another class, proceed to collect from him the excess fare to which the inadequacy of their arrangements have made him liable. If the railways were nationalized the Press would ring with protests against State incompetence and the sharp practice of officials. Since they are in private hands, not a murmur is heard. The explanation is simple. The policy of a public undertaking can be modified by criticism, that of a private business cannot. The former is held to be acting improperly if it squeezes the consumer; the latter would often be regarded as highly eccentric if it did anything else.

Well, now, I am not going to pursue any more of the differential characteristics of the two classes of administration, but I would like to conclude by referring to criticisms that have been made of Civil Service administration. There were visitants in the war who floated in and floated out again and understood it all in five minutes—men who said the kind of efficiency with which you should dispense pensions was the same as that required in dispensing soap, and left that as a parable for the whole story. One who was, I know, very successful in administering pensions has made detailed criticism and suggestions for the improvement of Government administration which seem to me to overlook every one of the four points I have tried to emphasize to-night. Sir Stephen Demetriadi has suggested that every Government department ought to have an independent council of business men who would criticize in constant session the acts of the department; advise the permanent secretary—if necessary, get rid of him—and that this, being made up of business men, would ensure that the Government department's efficiency was kept up to the highest point. He does not make it clear as to whether his council would be absolutely limited to advice or whether it would really have drastic powers of that character. Can you imagine the extraordinary division of responsibility that would exist, the extraordinary lack of appreciation shown of the constitutional position if you had such a council as that? It would be a body to which the public could bring all cases of mental inefficiency. The council would call upon the permanent secretary for information and proceed to judge him and his department, and conceivably the ministerial policy involved. I have recently tried to work out the comparatively

A Contrast

insignificant problem of a central co-ordinating statistical department which could be effective without involving the crux of ministerial responsibility over policy, and even that is difficult.

Sir Stephen may have designed a new administrative machine, but he has not shown how it can be fitted in to the political or constitutional life of the country. If a measure upon which great political fortunes are staked begins to give dissatisfaction or comes to grief, who bears the responsibility? The Minister wrings his hands and says "I am very sorry. This department that you have given me does not deliver the goods. You had better ask the Permanent Secretary why." The Permanent Secretary says "I was going on all right, but I was obliged to bow to the decision of the council." The department might say "Our Permanent Secretary who was, in our judgment, competent for this task, has been given his *cong  * at the instance of the council." Is it the council who are responsible, or the Treasury, who are too niggardly? The Treasury answer: "The council criticized the cost." So you may get hopeless division of political responsibility, and when you come down to the root of it, if the council are found to be responsible, who dismisses *them*, and how much do they care?

This being the most representative criticism and constructive suggestion for the co-operation of business men in Government, I have given it some thought and must say that I believe it is an excellent suggestion, except for the fact that it has not considered the principles of Consistency, Treasury control, Marginal return, or ministerial responsibility.

In conclusion, just to show that the civil servant's job is different from that of the business men, may I read the description of him by a modern novelist, W. L. George, in his *Blind Alley*—

That man of oil, steel, and silk, capable of every delay and grace, suggestive of every sympathy and capable of none; incapable of a lie, always capable of an evasion; determined in public utility, yet not blind to private advancement, singularly addicted to justice, yet unable to suffer mercy; not a man, but a theorem, a diagram, a syllogism.



Coming Changes in Local Government

(The County Council Point of View)

BY H. A. MILLINGTON, O.B.E.
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[A Paper read before the Institute of Public Administration.]

THE subject of this paper, at the time I received your secretary's command, was to be based upon the title "The Future of Local Government (County Council point of view)." It appears that it ought now to accord with that of "Coming Changes in Local Government—(County Council point of view)."

I do not know what significance is to be attached to this amendment ; but for myself a realization of imprudence has developed into one of something akin to folly. To prophesy to-day of the future of any form of government is adventurous enough ; but to go farther and to indicate the character of coming changes is foolhardiness indeed. When I recall that amongst those I have the great honour of addressing there may possibly be some in those departments of the Civil Service who have the longest experience and are in the closest touch with the problems to be discussed, I am acutely conscious of the temerity of my commitment.

From the title of the paper, and from the fact that the town clerk of a large city is shortly to address the Institute, I take it to be assumed that there are two distinct points of view as to the future of local government. Further, that these are based on divergencies which have manifested themselves recently on two clear issues, viz. : the extension of existing borough boundaries and the creation of new county boroughs. I exclude, if you will allow me, consideration of the question of the government of Greater London, which we will concede for the moment offers a special problem of its own. These matters are, as everyone knows, to be the subject, immediately, of investigation and review by a Royal Commission.

In these circumstances I pray your indulgence if you find my observations confined within somewhat vague limits. Frankly, I seek no other effect than to foster an atmosphere of sympathy with local government in general, and county local government in particular, through which the deliberations of the Commission may be viewed with some degree of interest. One is faced at the outset with the fact that, beyond any in our experience, the times are difficult for those who have responsibilities for any sort of government or any sort of administration, whether local or national. Changes of all kinds are in the air, and a

Coming Changes

welter of half-grasped and even conflicting principles confuses and perplexes alike the legislator and administrator. So many men, so many opinions. The national genius, however, is to "carry-on" and to evolve rather than to destroy, and it is safe to assume that there will emerge a unanimity that at all costs the principles of local government as a whole, so slowly, so painfully, but so solidly built up, must be preserved, co-ordinated, and enhanced.

Both in theory and practice the bulk of the people are profoundly attached to them. Their distaste and resentment of limitations from above, their jealous scrutiny even of advice and guidance from what they fear may be bureaucracy, and their constant quest for wider powers and unfettered responsibility is evidence unmistakable of a passionate pride of possession. Any line of approach to a solution of passing difficulties which would aim at the curtailment of local discretion, or indiscretion, even at the price of greater symmetry of form and regularity of administration, is doomed to failure.

In these essentials it must be understood that there is no difference in the points of view of county and of borough government. Here is common ground. There may be divergence of view as to the future development of one kind of local government and of another, but upon the conservation of the honour and welfare of local government as a whole the hearts of borough and county administrators alike are sincerely and resolutely set. I venture to lay some stress on this, and to suggest to any mediators in the marital relations, which for better or worse bind together the counties and boroughs in the maintenance of this ideal, that they bear it steadily in mind lest they earn the gratitude usually allotted to the policeman who intervenes in a wife-beating affray. Such differences as exist are, after all, essentially English; they are an indication of health and give no real cause for uneasiness.

At the same time there is every reason to hope that an investigation into the relations of these partners may lead to a greater harmony in their family life; so far as the counties are concerned I believe the appointment of the Royal Commission is hailed with cordiality.

In the short survey which must be attempted of the causes of difficulties which undoubtedly have ripened to a crisis, I approach it with the conviction, born of such experience as I have had not only as a county clerk but as a town clerk, that there are excellences and defects on both sides, that both types of local government are good, but they are different in character if not in aim. They are different for the fundamental reason that they require to be different, and any solution which tends to the submergence of either is wholly and fatally bad. They need co-ordination, perhaps, in order that the trains may run smoothly on parallel lines; there may need to be an express line and a slow line; but there must be no attempt to run all the trains on one

set of rails. You may group your systems, perhaps, but do not stereotype them into one cast-iron system. At all costs preserve flexibility and avoid rigidity.

What then is the trouble, and how has it grown? Let us recall the fact that local government in town areas has had a long start of local government in county areas. The old boroughs were founded by Royal Charter and represented local aspiration, focused in definite centres and recognized by the central power as worthy of encouragement. Their statutory recognition and development came with the Municipal Corporations Acts of 1835 and 1882, under which their constitutions became settled in the form in which they now obtain. In the years which followed, the beneficent force of civic patriotism, centred in the borough councils, gathered strength with amazing rapidity and bore a lavish harvest.

In the meantime the government of county districts remained much as it had been for centuries. There was in truth little or no local government at all. The parish as the unit of government, the vestries and local *ad hoc* boards for various purposes such as Improvement Commissioners and Turnpike Trusts, were the sole administrative bodies. They represented, doubtless, the principle of obligation to render public service, but little interest was felt either by government, Parliament, or the public in what they did or omitted to do. There was, in fact, no scope for citizenship. With the setting up of urban and rural sanitary districts under the Public Health Act, 1878, there emerged a certain volume of local government administration outside the areas of boroughs. The only administrative force in purely county matters were the justices in quarter sessions, representing, of course, a nominative and not a popularly elected form of government.

A comprehensive reform in the framework of local government in county areas was therefore ripe to be undertaken. It came in the shape of the Local Government Act of 1888, followed by the Local Government Act of 1894. The jurisdiction of the justices in quarter sessions was transferred to new bodies set up as county councils and framed on the model of borough councils; and a new nomenclature and improved status was provided for the minor local authorities in the form of urban and rural district councils, parish councils and parish meetings. Various adjustments of boundaries and of interests necessary to allow the new machinery to work smoothly and to provide homogeneous units, which would not interfere with and overlap one another, were effected by the Acts themselves or by administrative orders made, or to be made, under their provisions. I ask you to observe that the scheme created a new federation or commonwealth of local bodies, some rural and some urban, but all marshalled under the banner of the historic unit of the county.

Coming Changes

Apart from the mere provision of machinery adequate to administer social laws made or to be made from time to time, the object of these changes was to foster in local country bodies of adequate status that spirit of civic patriotism and of progress which had achieved such conspicuous results in the boroughs. It was an aim which, by common consent of Parliament and of public opinion, was an obvious and a worthy one; and the end which was projected was quickly realized. The natural result, the growth in power and status of county councils and the minor local authorities, is a matter, therefore, which may be viewed alike with gratification and without surprise.

The troubles, if they be troubles, which have developed from this rise to power of county local government, and a certain accentuation of rivalry between borough and county councils, are matters of natural evolution and of slight moment compared with the substantial gains which have been realized. The foundations have been well and truly laid, and it remains for the statesmanship of the day to compose the passing difficulties of the situation. Just as boroughs had attracted to the municipal service the concentrated ability and energy of their foremost citizens, so the county councils, while preserving the ancient unity of English counties with their wealth of tradition and retaining to a various and substantial degree the administrative steadiness of the magistracy, have recruited new and vital democratic elements from every quarter of their wide-flung areas.

The resultant authority is a body more diverse in composition and experience, in pursuits and in outlook, than the more concentrated essence contained within the limits of a single town. So far as my experience goes in both directions, county councils have contributed to local government a deliberative and administrative instrument equally as valuable as the borough councils, whose very unity of interests and purpose has to some extent led them to an over appreciation of the points of view of the town and to an imperfect appreciation of those of the country. It is not to be supposed, of course, that the possibilities of these happenings were not foreseen at the time of the creation of the county councils. Largely experimental as was this step in local government, the Act of 1888 contemplated and provided for natural development—by dividing boroughs into what are known as county boroughs (independent administratively of the counties in which geographically they were situate) and non-county boroughs, and by providing machinery whereby non-county borough areas should assume in certain circumstances the status of county boroughs.

We must examine for a moment what the machinery was. It is to be found in Section 4 of the Local Government Act of 1888, which is the section dealing with alteration of boundaries. The alterations which were contemplated, whether they be those of the boundary of a

The . Journal . of . Public . Administration

county or borough, or any electoral division of a county, or any area of local government partly situate in a county or borough, are to be conditioned by the test as to whether or not they are "desirable." How is this test to be applied? In practice it is first applied by means of a public local inquiry, presided over by an expert inspector of the Ministry of Health. The inspector reports to his department, who come to a conclusion upon the "desirability" of the proposals. If their conclusion is in favour of them, a Provisional Order is made, and included in a Confirmation Bill submitted to Parliament where, in the ordinary course, the proposals are subjected to a second test in Committee and occasionally, as we shall see in a moment, in the Houses of Parliament themselves.

In the period of years which has elapsed since the Act of 1888, cases arose where these natural developments took place, and the consequential change in the status of the areas so circumstanced followed without producing any great clash of principle. But before very long applications were made to the department or to Parliament which disclosed circumstances that gave ground for pause. Of widely different character, they may be roughly classed in two categories.

There were, first of all, the cases of the most prominent cities and boroughs, let us say, for instance, Manchester, Liverpool, Leeds, and Birmingham, which had already reached a very high standard of importance in local administration. Actuated by a civic patriotism and by aspirations that were almost imperial in character, their appetite for zonal expansion became hard to appease. There ensued a continuous solicitation of areas which, if not definitely suburban, were, although within the administrative jurisdiction of county government, still largely urban in character. There were, secondly, cases of boroughs of smaller yet substantial size, often the county town in the popular sense of their county, representing a distinct urban spot in an encircling area of comparatively rural character.

From these two different classes two separate controversies emerged. In such counties as Lancashire and the West Riding of Yorkshire, each containing not only cities of first-class importance, but also a fairly evenly distributed number of boroughs of lesser but still substantial importance, and each containing urban areas administered by urban district councils, possessing a considerable density of population and rateable value, the problem presented its most complex aspect. In the case of the great cities the difficulty was to place a reasonable limit to their ambitions, and in the case of the great counties to preserve them from a cumulative disintegration, and to leave them in a position to continue adequately the administration of their remaining area.

In applications of the "county town" type for county borough constitution, the issue, if simpler, is equally acute. In the less industrial

Coming Changes

counties, the desires of the "county town" would often entail the subjection of the county area to a surgical operation whereby the very heart would be extracted. From such an operation only death would ensue. The situation disclosed is obviously intolerable from every point of view. Boroughs feel perplexed and uncertain. Counties, and urban districts within even the most constructive proximity to boroughs, go in fear of their lives and property. In great areas like Lancashire and the West Riding of Yorkshire almost every local authority that is not seeking extension of its own boundaries lies entrenched behind barbed wire, shading its eyes for the borough hosts advancing to lay hands upon some or all of its most valuable possessions.

Having attempted to sketch conditions roughly as they are, I will try and indicate the "county council point of view." Frankly, it sees no future for local government in country areas if the "borough point of view" as illustrated in the extravagant claims of recent proposals is held to be "desirable" within the meaning of Section 54 of the Local Government Act.

It is said that boroughs are too prone to claim that the statute is satisfied by showing that their proposals are "desirable," not, as should be the case, in the interest of *all* parties, but are advantageous, and more particularly advantageous in a financial sense, to themselves. These proposals are often based upon motives rightly characterized as ambition or plunder; plausible suggestions of community of interest, economy of administration and greater efficiency of government are frequently a mere cloak for acquisitiveness; and their bona fides is vitiated by bribes in the form of a promise of differential rating in the annexed areas for a term of years. They have invented a bogey they call the "runaway ratepayer," whom they would pursue from Land's End to John o'Groats. Who forsooth would not be runaway ratepayers from some of the boroughs if he could, and what rule of equity justifies the annexation on that account of the area in which he has found a haven of refuge?

It will be said, no doubt, that these are extravagant, or even fantastic views, but I think there is some ground for the charges. The situation is ominously comparable to that of Germany in 1914. Like her, the boroughs have presented to the world great achievements in material and, let it be admitted, moral and intellectual progress. Their inhabitants have reaped from the labours of their councils a substantial measure of organized happiness and content; but, like her, they appear determined to risk these good things by handing themselves over to their expansionists and militarists. They must expand, they must attack, they must conquer with their arms and with their "culture" the whole world of local government. It must be "boroughs over all."

We in the counties do not think that the evils of these manifestations have received as yet the realization they merit. No one with experience

The · Journal · of · Public · Administration

of local administration is disposed to say one word of criticism of that department of the State which largely controls these matters, nor to suggest that it is capable of conscious bias in favour of the borough system of local government. I know well that it exhausts to the last ounce the energies and abilities of its highly skilled and experienced staff of Civil Servants in the investigation of these applications and in the endeavour to come to a fair decision upon them.

But it would be idle to pretend that those especially interested in county administration have not come to fear that for some cause or another the sympathies of the Ministry of Health incline to the boroughs. Possibly they have felt some sense of disappointment at the somewhat slower moving methods of federated country areas compared with the concentrated energies which the essential unity of boroughs is able to command. This, I think, may arise from an imperfect appreciation of the fact that by the mere geographical feature of distance, country administration must be more deliberate, and by that same token in my opinion more difficult than in the case of boroughs. However that may be, that there is some truth in this estimate of the attitude of the department may be inferred from the fact that there are not a few instances of Committees of Parliament and of Parliament itself rejecting the advice of the Minister to grant extension applied for by boroughs.

I do not wish, in general, to refer to particular cases, but I will take one, and that the latest, which I think is a fair illustration of what I will call (I hope without offence) the Pan-German frame of mind, viz., the recent proposals for the extension of the boundaries of the cities of Leeds and Bradford which culminated in the last Session of the last Parliament in the rejection of the Ministry of Health Provisional Orders (Leeds and Bradford Extension) Bill by the House of Commons upon the second reading by a substantial majority. In the debate on that occasion it was stated by the mover of the rejection (I have not checked his figures, but they do not appear to have been challenged) that the city of Leeds has had three extensions since 1912. In that year it annexed 4,670 acres. In 1920 there was a further extension and over 1,800 acres were annexed, making a total of 6,470, and a population of nearly 9,000. They now proposed to annex a further 17,000 acres, not yet having fully developed their last acquisition of 6,000, with a population of 48,757, giving these totals—

Total acreage . . .	45,000 acres
Total population . . .	500,000

If the proposal went through, the city of Leeds alone would have an acreage of between 2,000 and 3,000 acres more than the combined totals occupied by Liverpool and Manchester, although it would only have a population equal to one-third of the combined totals of the

Coming Changes

populations of these cities. He pointed out that Birmingham, with its population of nearly one million, was content to occupy 2,000 acres less than was proposed for Leeds with half the population.

It may well be imagined that it would require very exceptional circumstances to induce any tribunal to say that further extension under such circumstances was "desirable." Nevertheless, community of interest might possibly be a claim of such outstanding force as to override the presumption against it. Here, however, another difficulty was interposed. The councils of the minor local authorities that it was sought to supersede came and said that they felt no community of interest with Leeds; that they were determined to preserve their independence as district councils under the suzerainty of their county council, and that to retain it they were prepared to fight to the death.

They craved in aid the principle of self-determination, not perhaps a deciding factor, but one in these days which must be taken into very grave consideration, and they referred with great weight to a Report by the Committee of the House of Commons which sat on a similar proposal by the city of Liverpool. The Report is worth quoting. It said—

We have heard the whole case of the promoters, and we have heard only part of the case of the opponents, and so far as we have heard the case of the opponents we are certainly of opinion that they have conclusively established to our minds that the wish of the inhabitants of these different districts is to remain under their own local boards. On the other hand, we are not satisfied by the evidence which has been adduced by the promoters that there is any grave reason of public policy, or other, which would induce us to treat these communities like a flock of sheep to be handed over without regard to their own will, and to transfer them from the government of their own local boards to the government of Liverpool, however excellent, as we believe it to be, that government is.

They referred also to a dictum of the Chairman of the Joint Committee of Parliament sitting on the Bill to confirm the Provisional Order made in the Birkenhead extension proposal. He said that the more he heard of Ministry of Health Provisional Orders, the more he thought it preferable to come direct to Parliament, and in rejecting the Bill the Committee added to their report this paragraph—

They desire to add an expression of their opinion that subject to special considerations of public advantage no Provisional Order for borough extension should be brought before Parliament for confirmation which has not previously received the substantial support of the ratepayers in the areas proposed to be incorporated.

Well, I hope you will agree that these were not circumstances in which, against the wishes of the ratepayers concerned, and to the serious detriment of the system of local government provided by the County Council of the West Riding of Yorkshire, an extension could be granted. Very naturally the House of Commons said they were not.

I am quite aware that it might be said, in fact it is always said by the boroughs, that the dislocation of county government is provided

The · Journal · of · Public · Administration

for by way of compensation to the county council under the Local Government Adjustment Act of 1913. I will not discuss now whether or not compensation obtainable under those provisions is financially adequate; but even if it were, I will ask you to observe that county council after county council opposes these extensions, and say that even if full compensation in money is given it is not sufficient to make up for the destruction of the system of local government which has been built up through many years of labour and is admitted to be of an adequate and satisfactory character.

This distaste for the destruction of their administrative system is not a mere matter of prestige. It is a matter of self protection and security. The great counties see the urban districts plucked one by one and devoured like the leaves of an artichoke, and they do not feel consoled by the assurance that the leaves will soon grow again. More particularly in the case of the creation of a county borough in the average county it is a question, not of how much they will lose, but of whether they can carry on efficiently with the diminished area. In any county the county town and the non-county borough of importance is sure to be one of the paramount nerve centres of their administration, not only for the borough itself but for a large number of parishes and townships surrounding it. It is nearly always a vital centre of secondary education, drawing a large proportion of its pupils from the outside areas. It is likely to be the centre of a county police division, of a coroner's district, and the site of a court of the county bench. It may be an important centre for the county system for the treatment of tuberculosis or mental deficiency. For all these purposes and in all these ways it is affording facilities not only for the inhabitants of the borough but of large and important districts of the county adjoining it; and these facilities in the majority of cases are impossible of reorganization with equal efficiency and benefit to their eviscerated area.

There is one great problem common to both administrations which admittedly is of first-rate importance: that is the service of public health. It has been a common argument and one of considerable weight that it is, I do not say necessary but at any rate better, to have large and powerful areas to administer efficiently public health. The direction in which the development of local government should tend in this direction has already received some consideration. There are those who think that so important is the service, and so unlikely is it to receive adequate treatment under existing systems of local government in extra-borough areas, that they would withdraw it altogether from existing authorities and set up *ad hoc* bodies for the purpose. This is a solution which appeals more, I should imagine, to medical enthusiasts in public health and less to the experienced local government administrator; in my judgment whatever advantages might attach to it they

Coming Changes

would be over-ridden by the ill that might be done to the cause of democratic government. There are, however, potentialities of improvements in another direction. There is the possible line of increased co-operation and the interchangeability of resources by a system of linking up the small districts, and of this possibility, not only in regard to public health but in certain other circumstances, I must say a word or two.

The growth and movement of population, especially in such districts as Lancashire, the West Riding of Yorkshire, and the Black Country of the Midlands, render it worthy of consideration whether some exceptional devices are requisite, which, while preserving approximately the present local government areas, may augment the value of certain common services and ameliorate the evils of rating irregularities.

Both in matters of health ; of transport (always a problem of supreme importance and for long recognized as such in boroughs), which has now assumed vital aspects in county districts ; in matters of water, gas, and electricity supply ; and in a matter of especial interest at the moment, viz., town-planning, there is scope for exploration in this direction. My own predilections are towards a solution of this kind, which may facilitate special progress in special regions, without committing the country to a system of gigantic agglomerations of areas for all purposes on the one hand, or on the other to the organized destruction of self-governing liberties.

There is one reservation, however, that I would make, namely, that if it should be determined to experiment in this direction, any resultant joint committees or boards should be composed of members of the constituent councils. Here is an opportunity for giving the local government machine a tilt in the direction of real local self-government and away from bureaucracy. The element of departmental representation by nomination, a war or post-war innovation, has in my judgment little merit ; the principle of co-option—one of which I entertained at one time some hopes—has not proved of material assistance, but on the contrary has developed possibilities of danger to representative bodies.

In the circumstances of the appointment of the Royal Commission I am neither so brave nor so rash as to formulate any definite lines upon which they might come to their conclusions. It is satisfactory at least that the principles involved will receive at their hands full dissection and analysis ; I believe, however, that it will be found that the " county council point of view " may be summarized somewhat as follows—

(1) That county government is entitled to unchallengeable equality of status with borough government.

(2) That the principle of county government, representing through county, district, and parish councils, a combination of several autonomies under the aegis of the county unit, ought to be inviolable ; that its mutilation to the point of destruction was not contemplated by the Local Government Acts of 1888 and 1894, and ought not to be allowed.

The . Journal . of . Public . Administration

(3) That this conclusion ought to be clearly enunciated and recorded afresh ; and that until this is done local government in counties must continue to be so embarrassed by uncertainty of tenure and lack of security that it cannot lay its plans nor think out its development as to reap the harvest it is capable of reaping in the public interest.

(4) That borough extensions and the creation of county boroughs in the future should be limited, after searching Parliamentary inquiry, by (amongst others) the following conditions—

(a) That they must be demonstrably free from the effect of working grave injury on the local government of the remaining county area ;

(b) That Section 54 of the Act of 1888 shall not be deemed to confer any *prima facie* validity upon their application, but that the applicants be saddled with the full onus of proof that their aspirations cannot be satisfied legitimately in any other way ;

(c) That the right to follow such inhabitants as have elected to live in neighbouring county areas is a principle subordinate to the right of the inhabitants of those areas to self-determination.

(d) That the practice of buying off opposition by a promise of differential rating is unworthy and inadmissible.

(5) That, subject to the acknowledgment of these principles there is, on the part of the county government, nothing but goodwill towards the future of borough government, which is recognized to be as suitable to certain areas as county council government is to others.

(6) That county interests are prepared to examine favourably proposals for meeting circumstances which, under the foregoing conditions, do not justify by themselves an extension, by means of joint committees, or special boards, for certain services, upon which the constituent authorities shall be represented adequately.

In the meantime, having regard to the length of time which must necessarily elapse in the completion of the proceedings of the Royal Commission, it is surely obvious that, pending their recommendations and their approval by Parliament, a truce should be declared, say, for a period of at least five years, during which the operation of the present practice with regard to the extension of borough boundaries and the creation of county boroughs should be suspended absolutely. The country cannot afford to make mistakes on this question ; neither can it afford financially the waste due to the controversy and discord which must continue in the circumstances as they are at present. Future policy must be decided upon considered and agreed lines, and it is surely right and proper that the activities of local authorities and their servants should not be diverted to internecine strife, but should be devoted to perfecting existing organization and to improving and completing the work they have in hand.

Coming Changes

I have tried to deal with local government from the county point of view, but I would stress once more the reservation I made at the outset that this point of view represents mainly a divergence on a question which, important as it is, is of passing moment compared with the cardinal necessity of preserving intact the ideals of local self-government as a system of administration. The divergence exists and Parliament must insist that the differences be composed. I feel sure there is no one associated with either point of view but wishes for a fair and lasting settlement, and from the national point of view it is palpable that the direction in which we seem to be travelling now, happily described by the late Sir Mark Sykes as a reaction towards the mediaeval conception of "walled towns and wild chases," must be diverted towards a more enlightened goal.

I cannot conclude without a word upon matters touching local government as a whole which remain, although long matters of public controversy, imperfect in principle and in practice. The truth is that no Government and no Parliament has yet thought out completely the relations of the central and local administration on broad and democratic lines, nor provided a policy of review and adjustment at periodic intervals, as is necessary to keep touch with varying and modern conditions. Efforts to deal with them have been provisional and tentative. The Royal Commission on Local Taxation in 1901 and the Departmental Committee in 1914 were instances, and the energies of the Government of the day seem to have been confined to their appointment and to have evaporated without garnering the maximum results.

Questions of the equitable adjustment between the Exchequer and local authorities of the burden of expenditure on objects, some parts of which are undoubtedly national (but *what* proportion it is so hard to define); of the incidence of this burden; and of the reform of valuation and assessment, still await a satisfactory settlement.

Perhaps a practical attempt to deal with the last of these questions, which certainly should logically precede the others, is not so far off; it has had an unfortunate habit of receding in the past, just when it seemed about to enter upon the stage, and it is greatly to be hoped that this time some solid progress may be made.

On all these matters there is just this one thing to be said, that the first Government which deals with them with thoroughness and financial integrity, with the single object of evolving a real system of local *self*-government (and not merely central government locally administered) based on the trust and discretion of the people, and free from the design in theory, and the intention in practice, to depreciate it by the departmental control of its administrative details will have achieved a great and worthy task and have done well by the future of our country.

Coming Changes in Local Government

(The Municipal Point of View)

BY WILLIAM E. HART
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[A Paper read before the Institute of Public Administration.]

IN one of his Essays, Dean Inge asserts that prophecy is only an amusement, and that what does concern us all deeply is that we should see in what direction we are now moving. I am reminded of this assertion when I am asked to write a paper on a subject which suggests an attempt to foretell the future. I disclaim the power or desire to do any such thing, and incidentally I am not writing for amusement. All I can do is to consider tendencies and movements and to deduce from them such impressions as may appear to be well founded.

The present is a time of peculiar difficulty for any one who wishes to ascertain the direction events are taking. Municipal government, like every existing institution, is being questioned and criticized, and many remedies for its evils, alleged or actual, are being prescribed. There are few who will claim that in this respect whatever is, is best. But the remedies proposed vary from moderate reform at the one extreme to sheer anarchy at the other, and it would be rash for any one to say which form of development, upwards or downwards, will prevail.

We may, however, learn something from the past. While England can scarcely be said, as in the past, to be a land where freedom slowly broadens down from precedent to precedent, we cannot be entirely unmindful of our history. There are few more fascinating studies than that of the growth and development of the idea and practice of local government. We see how the towns, small as they were in their beginnings, were zealous to secure and tenacious to retain all rights and privileges that would ensure the personal liberty of their citizens, the protection and advancement of their trade, and the full control of their local affairs. There were constant and prolonged conflicts with those, whether king, lords or ecclesiastics, who held legal rights over the township and its inhabitants. Out of the turmoil there emerged a self-governed community, strong enough to resist any invasion of its liberties. By reason of changes in time and circumstance some of these old towns have lost their status, but their example has been helpful to their more successful neighbours. Modern legislation, commencing with the Municipal Corporations Act, 1835, has given municipal corporations more uniform powers, and as regards their constitution they have reached a high degree of stability, if not of finality.

Coming Changes

I

In considering the possibilities of the future of municipal government, the first question that arises is whether the present method of government will continue. It has been the practice for the council, the elected representatives of the ratepayers, to determine the policy to be pursued and for their salaried officers to carry it out in detail. It is difficult to suppose that this principle will be seriously disturbed in the future. In theory it may seem difficult at times to draw the line between policy and administration, but in practice the difficulty seldom arises. On the whole, the balance has been well preserved. In view of the multifarious duties of a local authority, it is impossible to suppose that salaried officers and servants could be dispensed with, though their influence and power are often exaggerated in the public mind. There are, however, those who consider that the increasing responsibilities thrown on municipalities will lead to a growing disinclination on the part of business men and others to assume such responsibilities on the ground that they cannot spare the necessary time. I see no reason to suppose that there will, in the near future, be a lack of suitable persons to seek election and undertake the direction of the policy of local authorities, although it may well be that there will be a tendency for members to reduce their activities to a smaller number of committees. The present policy of Parliament, when imposing new duties on local authorities, is to require the co-option of non-elected persons who have had special experience in the discharge of similar duties. This policy will probably be continued, though experience has generally shown that it is not nearly so successful as is generally supposed. There are, of course, many cases where most useful assistance is given by co-opted members.

The experience of other countries does not offer any inducement for a change of practice in this respect. In France and Italy the municipality has very limited powers, and is—to a large extent—under the control of the Government. In some towns in the United States the mayor has large executive powers, and in Germany the burgomaster, elected for a number of years, had, I understand, a considerable control over local affairs. I cannot think that in this country the elected council will be superseded and their powers exercised by the mayor or some small body of persons not elected by the community.

A minor alteration that may be made before long would be that members of local authorities, following the example set by Parliament, may be authorized to receive payment for their services. In the case of some public services, payment on a small scale is allowed for what is called loss of remunerative time, in addition to necessary travelling and subsistence expenses, but this does not apply to members of municipal corporations. I shall not be surprised to find that a similar payment, on a less economical scale, is to be allowed to them before long.

The · Journal · of · Public · Administration

An urgent question that calls for attention relates to the status and qualifications of municipal officers. For a long time there has been an agitation to secure for them superannuation rights, and Parliament has recently passed a measure which enables such rights to be secured, and is based largely on the existing Civil Service superannuation scheme. The Act, however, is optional, and it is not yet known to what extent it will be adopted. The fact that some local authorities have already introduced superannuation schemes for their staffs creates a feeling of injustice among the servants of other authorities who have not obtained a like privilege. It is certainly desirable that there should be uniformity in this matter. Naturally local authorities at a time like the present are hesitant before undertaking new schemes which may involve heavy payments from the rates, but the best opinion is that looking at the matter from a broad point of view, it is as much to the advantage of the authority as to the staff to have the pension rights granted.

The question of the irremovability of officers has not, so far as I know, been strongly pressed, and I think it may safely be left to the sense of fairness on the part of members of municipal councils to see that injustice is not done to their officers by dismissing them without adequate cause.

The claim for increased advantages made by the staffs brings with it the duty of equipping themselves for more able and satisfactory service. There is a tendency to claim that entrants into the municipal service shall have a reasonably high standard of education and attainment, and the passing of an educational test by all juniors, which has been adopted in many towns, ought to be made universal. The duties performed by the staffs of municipal authorities are many and varied, and considerable responsibility rests upon many who do not rank amongst the chief officers. A high standard of efficiency should therefore be aimed at.

II

The question of the imposition and conferment of new duties and powers on municipal authorities comes next for consideration. Compared with to-day these duties and powers in the past were meagre and simple. The good rule and government of the town, the construction and repair and cleansing of highways, the disposal of sewage in a crude way and a rudimentary and imperfect scheme of public health were the principal features of the local government of the day. Water supply, markets and other utilities were often in private hands. It would not be easy to summarize the duties of a municipality to-day. A more exacting health service than yet has been known is imposed on the local authority, and is being added to year by year. Many municipalities own the local water works, gas works, markets, electricity works, and

Coming Changes

tramways undertakings. Not content with the ever-increasing burdens imposed by public legislation, they seek fresh obligations under local Acts and Provisional Orders. They record a child's birth, look after his early health and education, provide him (sometimes) with a home when he marries, give him and his family, when need arises, excellent hospital accommodation and treatment, provide for him and his children parks and playgrounds, carry him to and from his work, and after affording him a lifetime of service, they provide space in one of their cemeteries for his burial. Still the tide of legislation flows, and every year Parliament sees occasion for adding to the duties of the municipality, and one wonders how far and how long this policy will be extended.

At this point I should like to draw attention to a Bill recently introduced into Parliament by members of the Labour Party, with the approval, I understand, of the whole of that Party. The Bill provides in effect that local authorities may exercise all such trading powers as a company incorporated under the Companies Acts can exercise. In the event of the Labour Party coming into power within the next few years, it may be assumed that this or a similar measure might be passed into law. I have already referred to the powers conferred by Parliament on municipalities to carry on public utility undertakings such as those relating to water, gas, electricity, and tramways. By local legislation a small number of authorities are entitled to carry on undertakings for the sale of milk and other trading purposes, but in each such case I believe a special justification for the proposal was required by Parliament before the power was granted. So far these minor trading powers have not met with the success that the promoters anticipated. There are many possibilities that may arise if the drastic powers that the Labour Party desire are granted. We may assume that the sale of milk will be one of the first powers that will be exercised. That may, and probably will, lead to the establishment of dairy farms, so as to secure absolute purity of milk supply. Similarly, the supply of coal by retail to the poorer classes may lead to the acquisition of collieries for the supply of coal to the corporation's trading undertakings. Trading in food-stuffs also occurs to one's mind as another likely venture. It is obvious that the passing of any such legislation as I am now referring to would tend greatly to extend the activities of a municipality.

As against the call for these drastic powers, there is a growing feeling, which is not yet loudly expressed, that municipal activities should be curtailed as much as possible and confined to strictly municipal purposes. One hears this more than ever before, and the suggestion is even made at times that it would be better for municipalities to dispose of their trading undertakings to private companies, proper safeguards being introduced so as to prevent unreasonable charges or impositions on the public. Personally, I cannot think that this extreme feeling is likely to meet

with support, but it may well be that the spirit of caution it typifies will act as a strong check against the setting up of various additional trading undertakings.

III

The next question that arises is as to local government areas, and this introduces one of the most vexed questions of the day. Since I was asked to write this paper, a Royal Commission has been appointed to consider this and other related questions, and its findings will be awaited with interest by all parties concerned. I do not propose to deal with this question at all exhaustively, but I venture to submit a few considerations from the point of view of the municipalities. It should be clearly understood that I am speaking for myself only.

If our large towns and cities continue to grow as they have done in the last hundred years, and there is no evidence to show that they have yet attained their maximum growth, it is evident that from time to time extensions of their boundaries will be needed. These extensions should not be niggardly, but should provide for the anticipated growth of the borough for a reasonable period ahead, say twenty years. On the other hand, they should not be too widespread so as to bring in districts which have no prospect of becoming an integral part of the city.

Experience has shown that extensions of boroughs which have been effected have been of benefit both to the borough and to the added area, and there is no reason to suppose that a different result would happen if further extensions are permitted. Further, modern experience has shown that existing boundaries are becoming woefully insufficient for many purposes in which municipalities are greatly interested.

(a) Many corporations own tramway undertakings which were established for the convenience of their ratepayers and were intended to be run within the borough only. The growth of the system, and in many cases the extension of the tramways by motor omnibus services, running into neighbouring districts, have proved a boon to the borough and the districts. Facilities for intercommunication, for shopping, education and entertainment are afforded, and the mutual interests of borough and districts are strengthened.

(b) As regards water supply, it is being found increasingly difficult, in view of the requirements of local authorities, to secure new catchment areas, and the cost of obtaining supplies is becoming greater than ever. This position makes it almost impossible, in many cases, for local authorities to obtain independent supplies. There are two ways in which of late years this position has been met. In some cases, water boards have been created, on which different local authorities are represented, according to the extent of supply they receive from the undertaking. In other cases a single large municipality obtains the Parliamentary

Coming Changes

powers and constructs and maintains the works, and is put under obligation to afford a given proportion of the supply obtained from the works to neighbouring authorities at practically cost price.

(c) The policy of the earlier Electric Lighting Acts was to enable local authorities to obtain and provide electricity for their own districts. In the districts of many of the larger authorities this power has been exercised with marked success, but in other places the result has been that small and comparatively costly systems have been installed, while in many other districts no supply of electricity has been afforded. The principle underlying the Electricity Acts of 1919 and 1922 is that electricity must be generated for and supplied over much larger areas so as to make it possible to give a cheap and adequate supply to consumers in such areas. The Electricity Commissioners in the discharge of their duties have found it necessary largely to disregard county areas, though, for the purpose of lessening difficulties, they have taken local government boundaries into consideration when determining the areas to be operated by joint electricity authorities. In determining such areas they have had to give great weight to the relation of large industrial areas to the schemes to be carried out by the joint electricity authorities, and they have had to give a larger representation on those authorities to the municipalities in the area.

(d) Another illustration. Public health has largely been considered to be a local question, and each health authority has jealously sought to preserve itself against interference by another authority, but recent experience and study have shown that public health can be promoted by assigning larger areas for its purpose. As an illustration, I may refer to the Interim Report of the Consultative Council on Medical and Allied Services. The Council was considering the systematized provision of medical and allied services, and one important question dealt with was as to what should be the area to be selected as suitable for their purposes. They recommended that secondary health centres should be selected, which must of necessity be situated in towns where an efficient consultant service and adequate equipment could be expected, and that they should be linked up with primary health centres situate in the county round the towns, the whole area to be under the control of a single health authority.

(e) In addition, one need only mention town planning and the construction of new main roads radiating from urban areas as indicative of interests municipalities have in neighbouring areas.

(f) Further, I would point out that the right to apply for alterations of boundaries was granted to boroughs in 1888 by the Statute under which county councils were created, and has constantly been exercised.

All these considerations, and others which might be adduced, point to the desirability that municipalities should retain the right to press

The · Journal · of · Public · Administration

for the extension of their boundaries in all proper cases. A denial of this right, or even its undue restriction, would in my opinion operate as a serious check to municipal administration. If this be admitted, the questions then arise (1) as to the procedure to be adopted for dealing with extension applications; (2) as to the principles to be followed in adjudicating thereon; and (3) as to safeguards to be introduced for the protection or compensation of interests affected.

The present procedure, as is well known, is that the borough may apply to the Ministry of Health for a Provisional Order for the alteration of its boundaries or may go direct to Parliament by Bill. In the former case, the Ministry hold a local inquiry and hear the evidence for and against the proposal. If the Order is granted it is submitted to Parliament and opponents may appear before separate committees of both Houses in opposition. In the event of the extension being finally granted by Parliament a financial adjustment between the various authorities affected is made on lines laid down by statute, which it is admitted is fair as regards all financial questions. Experience has shown that the procedure by provisional order is costly and cumbersome. It has also of late years been seen that Committees of Parliament have set up different standards for dealing with extension schemes submitted to them. It is desirable, therefore, that there should be some simplification in procedure, which will reduce cost and some machinery for ensuring greater uniformity of treatment of applications.

For this purpose it would seem that the remedy would be the omission of all unnecessary stages in the present procedure, and the constitution of a tribunal to which all extension schemes would stand referred. In this way it is hoped there would be a continuity of policy which would tend to as large a measure of uniformity as is possible in relation to this complicated question, and municipal corporations considering the desirability of seeking an extension of their boundaries might be able to judge of the practicability or otherwise of securing what they desire.

Personally, I should desire some consideration to be given to a bolder scheme. It is not practicable, I suppose, and probably it would not be desirable, to act on lines adopted in France in 1790, when the whole of the country was divided into entirely new electoral areas, but the practicability might be explored of fixing as the unit of administration a large industrial area, with or without a fringe of adjacent territory, and associating with it a number of neighbouring semi-urban and rural districts with which it has common interests. To what extent these neighbouring areas should have independent powers is a question for consideration. The report of the Council of Medical and Allied Services, to which I have referred, indicates one general line along which such a proposal could be approached.

It would obviously be an advantage if strict and definite rules could

Coming Changes

be laid down by some competent authority, specifying in what circumstances a borough extension would be granted, and it may be that the Royal Commission will lay down some such rules. From such consideration as I have given to the question I am not satisfied that it is possible at the present time to lay down such rules. The circumstances justifying extension vary greatly in different localities, and it must be left largely to the tribunal to determine what considerations appeal to them as being sound and justifiable.

In approaching the question of safeguards I am brought into direct contact with the position taken up by county councils. The extent of their feeling on the question may be judged from the language they use on this question. A comparatively mild suggestion made to your own Institute is that those who represent the boroughs in this matter are comparable to the Germans of 1914. Not infrequently the desire to extend boroughs is charged to the personal desire for aggrandisement of aldermen and officers of boroughs.

We are told that members of county councils are men of broader outlook than members of borough councils, and they no doubt know best how to present their case. There is no need to make counter-charges in reply. The county councils, since they were first constituted in 1889, have done excellent work in many directions, and I have no fault to find with the way they have administered their duties. I think also I can understand their desire to retain the integrity of their county areas.

I venture to suggest, however, that, as it is admitted that the financial adjustment to which they are entitled on the happening of a borough extension is adequate, the only question at issue is whether the extension is justified on the ground of good government. In the majority of cases at least, the needs of the borough and the advantage of the area sought to be added, call for extension. The county council feels the loss of prestige, and naturally regrets to lose control over a part of its area, but this should not be the determining factor.

In these circumstances, it does not appear to be helpful that the county councils should seek to lay down rules which would make it practically impossible to secure any extensions, and then to say that within those rules they will be prepared by means of joint committees or special boards to deal with questions of mutual interest to neighbouring authorities.

There should be a clear recognition of the fact and the necessary implications following from it, that the establishment of county councils was made dependent on the right of boroughs to claim extensions of their areas. The boroughs have done nothing to forfeit that right.

If those facts be conceded, the question should be capable of discussion on broader and fairer lines than the county councils have yet been willing to consider.

The · Journal · of · Public · Administration

Joint committees and special boards have not proved more effective than municipal authorities, and it is important to recollect that such boards are usually unable to borrow money as cheaply as the local authorities by whom their members are appointed.

One final observation on this question is that the proceeds of taxation are derived in the main from the boroughs. We hear a great deal to-day of the hardships of the agriculturists, and urgent claims are being put forward by them for special relief. It is no doubt claimed by the county council interest that this is a reason why districts adjoining large towns should be retained in their own areas, but the argument seems to me to lack force. The county councils must always be largely rural and agricultural, and taxation must be provided chiefly by the industrial areas, and there should be no unreasonable check placed in the way of their proper development.

IV

Another aspect of municipal development which may call for consideration in the early future is as to the relation of the municipal authority to various other public bodies in the district, particularly insurance committees, employment exchanges, and boards of guardians.

With regard to insurance committees it must be remembered that they administer moneys provided, as to the greater part, by the insured person himself, and in other part the money is provided by the State, so that strictly the corporations are not concerned in their administration. At the same time it is significant that at the establishment of National Health Insurance it was provided that the local authority should have a fair measure of representation on the Insurance Committee. So far as the work of the Insurance Committee is concerned with administration of National Health Insurance, there seems no need for associating municipalities any further with that work, but in the course of the exercise of the administration duties of insurance committees, a question of some importance has been raised.

When the National Health Insurance Act, 1911, was before Parliament, hopes were expressed that the insurance committees would have effective opportunity of assisting to secure an improvement in the health of their members by taking effective action to remove bad housing or insanitary conditions, and in other ways, and a section was inserted in the Act to give this power.

The intervention of the war made it impossible for insurance committees to move in such questions as housing because of the impossibility of providing new houses at the time. The question, however, has not been lost sight of, and insurance committees are showing signs of a desire to secure better housing and health conditions for the insured persons. Apart from their natural desire to exercise all proper powers

Coming Changes

conferred on them by Parliament, the members of insurance committees, the majority of whom represent Approved Societies, realize that an improved state of public health will be of great benefit to their members and will lessen the demands on their funds.

I have no reason to suppose that insurance committees are willing to surrender their separate identity and become committees of the municipality. At the same time, I believe they would welcome closer association with the health authority. This might be done by giving them representation on the health authority. Among other ways of accomplishing this is the following—

The principal duty of insurance committees, namely, the administration of medical benefit, is confined solely to domiciliary treatment. When an insured person is suffering from any disease requiring institutional treatment the case is automatically outside the limits of medical benefit. This is demonstrated particularly in the case of tuberculosis. The insurance practitioner is required to give treatment under his agreement with the Insurance Committee to all insured persons who do not require institutional treatment, but immediately such treatment is required the local Health Authority is the proper authority to deal with the matter. The Approved Societies whose representatives, as already stated, form a majority of the members of insurance committees, are demanding the extension of medical benefit under the National Health Insurance Act so as to provide all treatment which may be required in every case. In the event of this demand being granted co-operation will be needed between the Insurance Committee and the Local Health Authority, and probably also between the Insurance Committee and the local voluntary hospitals authorities. In these circumstances it might be well to consider whether the Insurance Committee, on which the local authority is represented, should be made responsible for all domiciliary treatment within its area, and representatives of insured persons on insurance committees should be appointed on the hospital committees of the local authority, so that the service might be co-ordinated throughout and no overlapping take place.

The Geddes Committee recommend that employment exchanges and the Ministry of Labour should be abolished. The threatened institutions still continue with apparently unabated vigour, and so long as the present period of exceptional unemployment continues, undoubtedly employment exchanges will continue to be worked by the State. It is, however, quite within the bounds of possibility that after the present difficult period has passed away, the employment exchanges will be transferred to the local authority. At present these exchanges have associated with them committees of local persons representing employers and workpeople, and certain neutral interests, and the working of these exchanges locally would save a great deal of cost in the way of

The · Journal · of · Public · Administration

oversight by the central authority. The local employment committees have not only gained considerable experience of the needs of their district as regards facilities for securing employment, but they have gained valuable experience as to the best means of tackling the problem. This aspect of the case gains added weight from the fact that both manufacturers and workpeople are finding that their interests are bound up with the local authority much more than they have supposed. Manufacturers are learning that high rates impose a heavy burden on their output of manufactured goods. They are also in some cases utilizing the municipality as a centre for supplying information and dealing with general inquiries. The introduction of commercial libraries in the municipal services is also another method of linking up the manufacturing interests with the city.

I am not aware that municipalities are desirous of taking over the management and control of employment exchanges. I am merely submitting to you that this question, as well as several others I refer to, may, before long, demand consideration and settlement.

With reference to boards of guardians, it is difficult to say when, if at all, the recommendations of the Poor Law Commission of 1909 will be adopted, but just as in 1902, it was found that an *ad hoc* authority, like the school board which raised money by precept upon the local authority, ought to be superseded and education placed under the control of the local authority, so undoubtedly the recent experience of boards of guardians, who, in an unprecedented time of distress, have had to make extremely heavy demands upon the rates, has called fresh attention to the desirability of considering whether the work of the guardians could be more satisfactorily discharged by constituting public assistance committees under the control and supervision of the local authority.

All these considerations I have mentioned fit in with the idea which is often expressed and for which there is much to be said, that in one district of adequate size there should be one governing authority, and that all public activities should be linked up with and form part of it.

V

My last division is as to the relations of local authorities with the central departments. There has been evolved, by means of grants-in-aid, a system by which many of the public services which are not strictly local in character are subsidized by the State with the necessary consequence that the State exercises a considerable control over the expenditure by the local authority in respect of such services. For a long time the tendency has been for the State to assume greater and still greater control over local authorities. It is, of course, difficult to preserve the exact balance so as to allow the local authority a reasonable

Coming Changes

measure of self-determination with respect to the subsidized services, while at the same time ensuring that State contributions are only made in respect of services carried out on approved lines. There is no doubt that the system has worked, on the whole, admirably well. Local authorities gain the advantage of the collective wisdom and experience of the central department, and are encouraged to expend moneys at their disposal for these services in the most economical and effective way. The Geddes Report criticizes this arrangement on the ground that the present system of making a proportionate grant towards the expenditure of the local authority tends to induce both the Government and the local authority to increase expenditure year by year, and a committee has been appointed to investigate this difficult question. The view now put forward is that a grant to a local authority shall be of a definitely fixed amount, and that the authority shall be allowed, to a much greater extent than heretofore, to use their own judgment as to the way in which they shall carry on the subsidized service. Taking, for instance, the amount of grant for public health services, it may be reasonable to allow one authority to spend relatively more for tuberculosis, another relatively more for venereal diseases, and so on, the central department being satisfied with a general supervision. In this way an immense amount of detail and duplication might be avoided.

In favour of this procedure it may be pointed out that many of the powers now generally conferred on municipalities have had their commencement in experiments made by them, which, after being tested, have been found to be of utility, and have in course of time been generally adopted. It is desirable that this practice should not be done away with.

What the municipalities want is an adequate grant towards the subsidized services and reasonable liberty to develop their methods on their own lines. What the Government want is, I assume, that they shall not fix their grants too high, and that they shall have such an extent of supervision as will ensure that the grant is well expended and that the subsidized services are being maintained in a state of efficiency. How the exact balance is to be secured is a question for Lord Meston's Committee, at any rate in the first instance. It will be seen that the coming changes of method in dealing with grants in aid are of the greatest importance to municipalities. A wrong step at this juncture may set back progress for some time to come.

Much might be said with respect to steps that have to be taken for obtaining additional powers by means of Bills in Parliament and Provisional Orders. It is imperative that the cost of obtaining Acts of Parliament should be reduced, and this undoubtedly is one of the questions that will call for consideration at an early date. The procedure is full of technicality and seems designed to put promoters to needless expense.

The · Journal · of · Public · Administration

It also has no elasticity, and does not permit of circumstances being fully met that arise during the passing of the Bill through Parliament. In a recent case a municipality applied to the Ministry of Health for an Order to increase water charges. The Order was granted, but was opposed in Parliament by a district council. Before a Committee of the House of Lords terms were arranged, including a provision that the district council should sell a small water-distributing plant to the municipality. A clause to this effect was introduced into the Bill, and the parties went away satisfied, only to find a little later that the House of Commons authorities insisted upon the clause being struck out, as it was not in accordance with regulations. No doubt the decision was right on the present regulations of Parliament, but here was a case where parties, competent to act, were before Parliament and had agreed upon an arrangement which was admitted to be satisfactory and then technical rules stopped their way, and they will have to go to Parliament again to obtain the powers. Surely there should be a way found of avoiding such a position. Greater elasticity and less cost are urgently required. I need not say more than a word as to the desirability of greater powers being conferred upon Government departments to grant Provisional Orders. There are many powers which have been obtained by individual authorities and have proved to be useful, and Provisional Order procedure should be extended to such and many other cases.

I have given a rapid and ineffective survey of many aspects of municipal government where changes may be expected in the future. When these points are gathered together, it is seen what an immense amount of vitality and interest there is in the work of local authorities. In which of the directions I have indicated change will come, it is—at the moment—impossible to say, but that there will be many changes I am satisfied. We are far from having got into a stereotyped and unprogressive position; the possibilities for the future are great, and it is to be hoped that the common sense and judgment of those who rule our municipal affairs will bring about an era of still greater usefulness.



Closing the War Accounts— Trading Departments

BY H. MEAD TAYLOR, C.B.

[*A Paper read to the Institute of Public Administration.*]

It will be my endeavour in the course of this paper to call attention to the wider questions of policy which the closing of the war accounts has been the means of focusing in a manner not possible when those accounts were active and when attainment of an object was the sole end in view. It would be wearisome to relate instances arising out of the business of liquidating those accounts, since I have never known anyone who saw any humour in winding up a business unless it were the liquidator. But in a great range of transactions one can often discern common principles, and a proper understanding of them may be useful hereafter. I therefore propose to treat my subject on broad lines. I shall only quote a few figures and I shall endeavour not to fall a victim of the Official Secrets Act.

A MODERN writer has said that an Anglo-Saxon likes doing things better than thinking about them, and in his memories he is apt to recall how a thing was done rather than why it was done. Although, broadly, that saying may be true of the people of these islands and the Dominions overseas, I think it would require some modification if applied to the administrative classes of this country, who, by education and training, are apt to think a great deal about things and, in the result, to act somewhat slowly. This attitude towards affairs which is probably common to all officials is unfortunate in times of emergency and is not in harmony with the national habit of practical action in such times. We have seen that when a great emergency came the personnel of the administrative classes had to be supplemented, and largely supplemented, by the temporary addition of workers drawn from the field of commerce, in other words by business men—men of action who, to a great extent, move instinctively in dealing with the matter in hand. This happened during the Great War, when men of action drawn from their ordinary commercial pursuits largely influenced and almost completely dominated those activities in this country known as Government Trading Services.

When considering the course of events in closing the Government trading accounts it is necessary to bear in mind not only the stress of the times in which those accounts had their origin but also the type of mind—commercial as distinguished from official—which influenced the policy and controlled the development of the trading services. It was the type which “likes doing things better than thinking about them,” and that was largely the type which the times needed. Much thinking would probably have restricted in a manner most disastrous that expansion of Government control of trading in certain directions

The · Journal · of · Public · Administration

which was vital to the Allies during the years 1916 to 1918. A little thinking would have led to questions as to the probable duration of the undertakings thus hurriedly established and as to the ability of the markets here and abroad to absorb, without loss to the Government, the large stocks which would remain on hand after the war. Were these considerations which should have influenced the policy of those who were called upon suddenly to administer the trading services? The choice lay between two lines of policy, namely, the cautious, which one associates with the official type of administrator; and the practical and venturesome, which one naturally associates with men of affairs. The latter predominated and during those years of stress they pursued their own policy, and contributed largely to winning the war. To them all credit—the officials have since been engaged in explaining why things were done in the way they were done.

My own experience of war services dates from November, 1914, and I can speak from knowledge only in regard to services of a commercial character; those concerned solely with the provision of munitions of war were outside my province.

I have indicated with whom primarily the responsibility and the credit lay for the great work accomplished. I now propose to pass over the period of the war and to consider the course of events during the closing of the trading accounts, that is to say, from early in 1919 to the present time.

The period immediately following the cessation of hostilities was, as every one knows, as difficult, if not more difficult, for the trading community as the war period itself. It was a period of great uncertainty. The course of exchanges could not be anticipated with any certainty, while the rates of exchange on many countries, notably in the case of the United States of America, was for a time purely artificial. That particular exchange, to quote the phrase currently used during the war, was "pegged" or stabilized. It was "unpegged" early in 1919, and soon the value of the pound sterling in America started on its downward course. Producers abroad in some instances held up supplies and forced up prices so that the Government here were obliged, in the interests of our people, to continue trading for a while. This was an expensive period and the high prices necessarily paid for supplies were reflected in the accounts when liquidation became necessary and prices had fallen. Moreover, prices paid to producers on the one hand and demanded of consumers on the other were quite different after the control of prices had ceased. The altered conditions generally meant that the Government, as a seller, got the worst of the deal.

Many of the trading services were protected during the war, and in some cases for a period afterwards, by control of prices instituted under the Defence of the Realm Regulations. Such services were, as a result,

Closing the War Accounts

not purely trading services since the element of competition which is common in trading operations was absent, while prices were fixed largely on the basis of cost and those prices the consumer was compelled to pay. It was an unhealthy system, tending to extravagance as regards both buying and administration, since the consumer, whether the State or the citizen, could always be relied upon to purchase the goods. The obvious outcome of such trading was in most cases an apparent profit at the point when unrestricted trading was resumed by the community and liquidation of Government stocks and commitments had to be faced.

There is published, as you are aware, a Blue Book which gives particulars of the various trading accounts. They indicate a wonderful range of subjects, or perhaps I should say of commodities. Everything that was bought for resale during the war eventually found a place in or was designated a trading account. Even the disposal of commodities purchased solely to deprive the enemy countries of those commodities was so treated and, I venture to think, quite wrongly. Further, the Treasury, following to a great extent the wishes of the Committee on Public Accounts, endeavoured to standardize all the accounts, and this led inevitably to some curious and to some misleading results. It was, for example, at least peculiar to apply to a purely blockade operation overhead charges which might be appropriate to a trading operation. It was proper to charge interest on moneys advanced by the State for the purpose of buying potatoes for resale, but somewhat strange to charge interest in the accounts of a service which had as its object an endeavour to deprive the enemy of a particular commodity. One transaction was in the nature of trading, the other clearly was not. Moreover, some of the so-called trading accounts included supply services for His Majesty's forces and those of the Allies; in one case of considerable magnitude purely trading transactions represented only 12 per cent of the turnover. But all these services have been designated trading services and may possibly have been judged by the public in that light. It will therefore be seen how necessary it is to bear these circumstances in mind when judging the results secured as the trading accounts have been closed. It is for these reasons doubtful if any useful comparison can be made between the results shown after liquidation and the apparent prosperity of a particular service at the end of the war period.

When the work of winding-up commenced two great changes had already occurred. The artificial level of prices had gone along with de-control and many of the temporary civil servants, by whom I mean the business directing heads, were no longer able or prepared to serve the State. Those temporary officials who remained did so greatly to their credit and to the advantage of the State. If at one time the Press voiced a different opinion we may be certain of one fact, namely, that it is better not to discharge the crew before the ship reaches port. I

The · Journal · of · Public · Administration

have seen some of the economy carried out on those lines and it has been very expensive.

It is difficult to say precisely when the work of winding-up the trading services or closing the war accounts really commenced. Control lingered on in one form or another for some time after the Armistice. At 31st March, 1921, more than two years after the Armistice, I find by reference to the Blue Book of Trading Accounts that the Ministry of Food and the Board of Trade together possessed stocks, book debts, and other assets amounting to sixty-one millions, while the recorded liabilities, apart from unascertained claims, amounted to thirty-four millions. These figures leave out of account vast sums representing wool, leather, and a great many other commodities left on hand after the war and administered by other departments.

By March, 1921, buying had ceased, and we may assume that liquidation had taken the place of trading all along the line. At this point, therefore, we may conveniently consider some of the problems which have had to be solved during the period of liquidation. Some were of a general character and much in the public eye, while others, which greatly outnumbered the former, were such as might be expected to arise when the nature of each trading service, and the circumstances in which it had been carried on, are fully appreciated. Of the general problems that which loomed largest with the public, or perhaps I ought to say the Press, related to personnel and staffs. We may assume that the public were also concerned to ensure that the best steps were taken to realize satisfactorily the enormous stocks held by the Government, a matter which required both expert assistance and time. Moreover, in the period of reconstruction those stocks were a menace to traders who, as a section of the community, were entitled to consideration. There was an outcry that the Government should discharge the staffs and also immediately dispose of stocks. The double cry was inconsistent, but it was on the surface as natural as it was popular, and pressure from Parliament followed in the same direction. Almost simultaneously with that outcry it was decided to transfer the whole of the cost of winding-up the war services from the trading accounts to which it properly belonged to the parliamentary votes of the responsible departments, where such cost apparently became a charge on the taxpayer regardless of the results derived from liquidation. I am in full sympathy with the frankest disclosure of information to the public and to Parliament, but I believe that in this case a wrong impression was created owing to this separation of cost from realizations. It led to confusion in measuring the actual expense of normal administration, and it also resulted in realizations appearing better than they were. Staffs were discharged at a rapid rate and valuable assistance and knowledge often vanished simultaneously. There were also hatched under

Closing the War Accounts

the same pressure many clever schemes for disposing of stocks which would have been sounder if they had been less clever. These steps had the virtue of apparently meeting a public demand, and it would be difficult now to demonstrate that a different course would have had better results.

My remarks so far have concerned the trading services which had served their purpose and are now in process of being wound up. There are some, however, which owe their inception and their continued existence to national policy, and a few have come into existence under the reparation clauses of the Treaty of Versailles. These will continue, but they give rise to some difficult questions in other directions.

Those who have had dealings with the Treasury would not be likely, I imagine, to prefer the methods of that department to those of a joint stock bank for the purpose of financing a trading operation. Parliamentary considerations naturally weigh first in regard to every action which is taken by the Treasury and trade and adventure are not objects for which that department exists. No moneys necessary for carrying on any trading service, whether they are needed to provide working capital or to pay salaries or trade commissions for services, can be made available without a vote of Parliament. Let me give an example. A service may or may not be expected in a given financial year to produce a profit or surplus but it may require £100,000 for working capital in that year. If the Treasury were a bank, arrangements would be made with them to provide that sum as and when required, and the intention to borrow the whole amount would obviously be disclosed. It could equally be disclosed to Parliament; but Parliament, I am told, requires gross figures before it will grant supplies and will only vote gross figures, not a net sum in circumstances such as these. We therefore get most extraordinary results, since it is necessary to budget a hypothetical revenue account in November, covering a period from the following March until a year beyond, on the basis of unknown factors as regards the extent of possible purchases and sales as well as market fluctuations in prices and freights. It is outside my province to discuss the train of inaccuracy resulting from such a system or the waste of administrative time which it involves, but if Government trading is to be intelligently developed the financial methods at present followed will clearly need revision.

Having covered to some extent the general considerations affecting trading services which had their origin in the war period, I propose now to trace the course which has been followed in closing the accounts.

During the war every trading service was financed from votes of credit granted by Parliament. Each service was provided from that source with the funds it needed, and those funds constituted its working capital entrusted to it by the State. The service may have shown a

profit when the time for closing it arrived, in which case the loan from the State, if we may so term it, was intact and should in due course be returned to the Exchequer. But whatever the figure of profit or loss there remained a great quantity of assets to be realized on the one hand and very large liabilities to be liquidated on the other. If all the assets had been clearly defined and all the liabilities had been known (and they were spread over many lands) the process of closing the accounts would have been greatly simplified. Instead, it has almost amounted to a voyage of discovery to ascertain what the assets really were, and there have been many rude awakenings for those who have been called upon to deal with the claims which have emerged. It may be of interest if I refer in some detail to the assets and liabilities with which different departments have had to deal.

Taking the assets first, they may be divided broadly into two categories, namely, the material assets mainly consisting of stocks, plant, etc., and the debts owing to the State. Stated shortly in this form the problem of realizing them may appear to be simple, but unfortunately the records of the transactions in the war period of most of the trading services, and particularly those relating to transactions in the earlier years, were frequently unreliable. I am aware of the difficulties that existed in many cases, but I have failed to find any good reasons in extenuation of the many faulty records and accounts. Where there was a proper anticipation of the work to be undertaken a suitable system could have been, and often was, actually applied. There was, however, an atmosphere of hustle—I think it was termed “push and go”—and hustle and system seemed fated each to go its own separate way. I am satisfied that it need not have been so and that, if there had been a proper appreciation at the time of the value of ordered accounting, hustle and system might have worked side by side. The absence of system and proper accounting has in many cases greatly delayed winding-up. For instance, when cargoes of merchandise were received, in many cases the only records kept related to the goods actually landed and cash paid. In those cases it has been necessary to investigate the contracts of purchase, to trace the quantities agreed to be delivered to the Government, and also the final deliveries out of store. It has been an immense undertaking, and it has paid the State handsomely, yet one continues to hear the complaint that staffs are still being employed on these jobs. I recollect one service where thousands of consignment notes had to be investigated to ascertain, in connection with goods sold, if railway charges ought to be paid by the consignees. The department concerned eventually succeeded in collecting a large amount from this source, and the investigation was continued until the work ceased to pay its way out of recoveries. That is only one instance emerging from one set of Empire transactions which, on paper, showed in March, 1921,

Closing the War Accounts

that ninety-five millions of assets and liabilities remained to be investigated, realized, or discharged.

I will mention another and a more important side of this question—our transactions with our Allies and Dominion Governments. Many of the accounts relating to these could not be approached for adjustment until the last sale had been made and all charges had been ascertained. The reason is simple. There were many transactions in the nature of "pools," which necessitated grading particular commodities and averaging costs, while frequently questions arose which cut across a plain average due to diversions and exchanges of cargoes. In cases of this nature current accounts were maintained during the war but the settlement remained for adjustment in the future.

Although my remarks about assets have a bearing on the difficulties arising on the liabilities side of the account I will add a few remarks about claims. The nature of the claims has varied to a remarkable extent and they have not always been conspicuous for moderation. One would hardly expect a moderate claim from a farmer whose fences had been destroyed in the course of the Government timber operations, resulting in the loss of his cows from eating yew trees on the other side of the fences. There were many such cases, and it has been difficult to assess them properly in the absence of the temporary officials who had knowledge of the facts. There has also been a tendency on the part of speculative purchasers of large blocks of Government property to question the terms of their purchases or to claim relief from them in consequence of the slump in trade in 1920-21 and the fall in prices. Claims of this nature were bound to arise if the market went against the purchasers, since the capital which they were able to put into these ventures was limited and in some cases was actually lost before resales could be effected. I have always doubted the wisdom of transferring large blocks of Government property representing amounts which were too great for private interests to carry. The demand for quick realizations was, however, too insistent to be resisted, and it must be conceded that Governments in this country exist to give effect to the popular will.

I should have liked to indicate the position to-day of the war services which we have been considering, but we are now at the close of a financial year and the accounts, as at 31st March last, will not be available for some months. A year ago, however, the figure of assets had shrunk to £8,000,000 and the liabilities to £13,000,000 compared with £61,000,000 and £34,000,000 at 31st March, 1921. In the past year they have been further reduced, but there are still a number of important questions awaiting settlement in the Courts and in arbitration proceedings. The number of temporary officials engaged on the closing of the war accounts (trading departments) is at present about 3 per cent of the number employed four years ago.

It occurs to me that some very interesting conclusions may be drawn from the experience gained in closing the trading departments. I think it was unfortunate that the trading services were not clearly defined and treated as concerns in liquidation as soon as they ceased to function as trading departments. It was still more unfortunate that the cost of winding them up was made a parliamentary matter by asking Parliament to vote the sums needed annually to cover administration expenses. Swollen estimates were, as I have stated, one of the results, and naturally pressure followed to reduce or to get rid of the cost. That line was incompatible with cautious measures of realization and I am inclined to believe that the State has suffered in consequence.

In the anxiety to conform to the public demand for speedy liquidation the burden of realizing large quantities of Government property was in many instances transferred to and assumed by private or trade interests which were speculative in the sense that the purchasers, owing to their limited resources, could only fulfil their contracts if prices were maintained, while a serious fall in prices necessitated appeals to the Government either to modify the contract terms or to resume possession of the property unsold.

Settlements and compromises of claims owing to and by the Government were inevitable in closing such a mass of transactions. It has not facilitated the closing of the war accounts that these settlements have had to be dealt with by departmental methods. It might be worth considering whether quicker and, on the whole, better results could not have been secured if these matters had been relegated for settlement to small independent committees whose members possessed practical knowledge in trade or finance.

These are a few observations which occur to me on the more important features of winding-up a series of Government war services, but there are many other questions, as I have already indicated. It has been extremely difficult to get the best results—and those obtained may not have been the best. If that be so I can only suggest that Parliament and the older departments were never designed to deal with the problems we have been considering. The machinery of government in this country was designed for other work.



The Administration of a Fighting Service

The Administration of a Fighting Service

BY SIR OSWYN A. R. MURRAY, K.C.B.

*[A Lecture delivered at the London School of Economics and Political Science
under the auspices of the Society of Civil Servants.]*

ONE of the great advantages of these gatherings that have been convened with so much public spirit by the Society of Civil Servants is, I think, that they are helping us, by the exploration of different parts of the great field of administration in which the civil servant is privileged to labour, to realize the variety and extent of that field. I hope that I may advance the survey of that field a little by what, I am afraid, will be some rather disjointed and general remarks as to the more striking features which administrative work appears to me to possess in the oldest of the three fighting departments. What is meant by the administration of a fighting service? It is a good thing to get clearly in our minds the subject matter with which we are dealing, and I, as the son of a great dictionary maker, always find it congenial to start with a definition. So I shall begin by indicating in the simplest and most general way what is comprised in the phrase "the administration of a fighting service," and I shall express it, for the sake of convenience, in terms of the Navy. When we speak of the administration of any institution we mean the management of the affairs of that institution. The administration of the Naval Service by the Admiralty may be said, I think, to comprise the following main duties—

(1) The work of recruiting, training, maintaining and governing the disciplined force required to man the Navy, and of doing so with a due regard to economy :

(2) The work of providing and maintaining the ships, armaments, equipment, and stores required for the Navy, and of doing so with a due regard to economy.

There is, in addition, a third section of absolutely necessary work devolving upon the Admiralty, which, however, is not, in general, administrative work, although it provides the basis for administration and affects it at every turn. This is—

(3) The work of calculating the size and type of naval force required to carry out the approved naval policy of the Government, of formulating the plans for the offensive and defensive use of that force in war ; of arranging the distribution and tactical training of the Fleet in peace so as to suit those plans ; and of doing all with a due regard to economy.

The matters comprised in the last category are ordinarily described,

both in this country and on the Continent, as "staff work." Staff work requires hard thinking in terms of a contingent future rather than the actual present, and it is an axiom of all writers on organization that it should, as far as possible, be kept separate from the daily work of administration. This is because, through the weakness of our human natures, if the thinker becomes cumbered with much serving of day-to-day needs, he finds that the fountain of his thought is apt to dry up. At the Admiralty, therefore, so far as is practicable, this staff work is separated from the ordinary administrative work of the department, and it is performed by a body of highly trained and specially selected Naval officers, who are known as "The Naval Staff." But as the whole purpose of the Admiralty is preparation for the contingency of war, it is not possible to draw a really hard and fast line between staff work and administrative work; and in the work of many of the administrative departments, particularly those that deal with the supply of fuel and ammunition and necessary stores to the Fleet, there is a distinct staff aspect, the recognition of which is absolutely necessary to the efficient performance of that work.

Now who is responsible for the administration of the Navy? The legal responsibility for the administration of the Navy rests with the Lords Commissioners of the Admiralty. These are a body of individuals, some of them civilians, some of them naval officers, who are appointed by the King by Letters Patent under the Great Seal to execute the office of Lord High Admiral, a new patent being issued whenever there is a change in their number. It is probably unnecessary to remind you that throughout the seventeenth and eighteenth centuries it was the fashion to carry out a great deal of the business of Government by means of commissioners or boards. There were many advantages in this fashion. In the first place it avoided the concentration of too much power in one individual. In the second place it distributed the sweets of office over a larger number and therefore secured more adherents to the Government of the day; and in the third place it was an important source of revenue at a time when a good deal of the revenue was derived from the fees on patents and on grants of office. As an illustration of this I might mention that even up to the year 1872 the First Lord of the Admiralty paid a fee of £250 for his name to be put into the patent, and each of the Sea Lords paid a fee of £75, except the Controller, who was charged £100.

The Admiralty patent makes all the Commissioners co-equal in power. Its words are—

Granting unto you or any two or more of you full power and authority to do everything which belongs to the office of our High Admiral.

The only indication of precedence is the order in which the Commissioners

The Administration of a Fighting Service

are named in the patent. This is natural when you remember that the Commissioners were originally a body of co-equals, who transacted all their business sitting round a table. The old Admiralty in Whitehall with the courtyard in front of it bears witness to this original system of administration. The wings of that building on the north and south sides of the courtyard were originally the official residences of the Sea Lords, and so was a great portion of the central part of the building. Only a small part of the centre was the Admiralty Office, and this contained a handsome board room and very little accommodation besides. But at a very early date the First Lord of the Admiralty—that is to say, the Commissioner whose name was mentioned first in the patent—acquired supremacy over his colleagues because of his position as a Minister; and not much later the position of the senior of the Naval Lords Commissioners was also recognized as being the Chief Naval Adviser to the First Lord, if the First Lord was a civilian. Another, but a minor change gradually took place. The Lords Commissioners had first one secretary and afterwards two, to carry out their decisions and manage the office for them. These secretaries, I hope by their industry and attention to their duties, gradually acquired greater importance until they came to be regarded as an integral part of the Board.

Now, having gained this recognized supremacy over his colleagues, the First Lord used it, no doubt to the great advantage of Admiralty business, to assign different branches of the administrative work to each of the other members of the Board, so that the less important of the duties could be performed by them in their own rooms without coming before the Board. All the more important matters were still discussed round the Board table, except when the First Lord, as was occasionally the case, took advantage of his position as a Minister to settle important matters of policy at the Cabinet or on his own responsibility—sometimes, but not always, with the concurrence of the First Sea Lord.

This was the system of Board administration in force up to 1869. By that time administration by Boards was considered to have become rather obsolete. Other Boards had become phantoms, like the Treasury and the Board of Trade, and their business had fallen into the hands of individual Ministers. The First Lord of the day was a young and pushing man, Mr. Childers, who had acquired his experience in Australian Government offices. The custom by which the Board transacted much of its business sitting round a table struck him as being a great waste of time. It was intended that only really important matters should be dealt with in this way, but many trivial matters slipped in. The then First Sea Lord admitted before a Parliamentary Committee in 1871 that the Board sometimes wasted an hour discussing whether a man's pension should be 4½d. or 4¾d. We know by bitter experience

The · Journal · of · Public · Administration

that, although the system of transacting business by conference, sitting round a table, has many advantages, it is difficult always to keep a sense of proportion in regard to the importance of the matters arising for discussion. I am bound to say, however, that other methods are attended by other dangers. I do not think the Board of Admiralty to-day would waste an hour discussing that question of 4½d. or 4¾d., but I think it highly probable that the Treasury and the Admiralty might correspond for not less than a month about it.

In 1869, therefore, Mr. Childers decided to take steps both to establish in due form the dominant position which the First Lord in fact occupied, and to accelerate business, as he thought, by sweeping away the useless obstacle of Board meetings. Accordingly he obtained an Order in Council which declared in so many words, for the first time, that the First Lord alone was responsible to the Crown and to Parliament for all the business of the Admiralty, and which gave to him almost unlimited discretion in arranging the administrative spheres of the other members of the Board. Having done so, Mr. Childers retired to his own room and did his work there, and required the other Lords to retire to their own rooms and do theirs. The Board discussions stopped, and the Board only met for formal purposes, to give a formal approval to matters that had already been decided elsewhere.

Mr. Childers, however, overshot his mark, and not long after this he left the Admiralty, a sick man and under a cloud. The story is too long to be told here: what concerns us at the moment is that the process which he had initiated of reducing his naval colleagues to mere heads of departments immediately stopped. The latter not merely recovered their prestige, but also re-established their claim to be consulted on important matters of naval policy, certainly to a greater extent than Mr. Childers would have admitted it. But one of Mr. Childers' innovations did not disappear. The Admiralty Order in Council formally recognizing the supremacy of the First Lord remained, and has ever since remained in existence, though some of the rather aggressive language in which he had framed it was altered.

I have described what happened up to 1869 somewhat at length, because it accounts for an anomalous situation which still exists. The Board of Admiralty's powers are based on two documents—a Patent and an Order in Council—and the two documents are not strictly consistent with each other. One makes the Commissioners co-equal in powers. The other gives to the First Lord supreme authority over the rest.

The explanation, as I have pointed out, is that the history of the Board is the history of the gradual change. It begins with a state of things in which a Board of co-equals met round a table to discuss all their business, and to arrive at their decisions; it ends with a state of things in which

The Administration of a Fighting Service

a Cabinet Minister, responsible to the country through Parliament for the affairs of the Navy, is provided with expert naval advisers of high rank, on whom he leans for counsel and assistance in service matters, and through whom the detailed administration of the Navy is carried on, subject, however, to his ultimate responsibility. One document—the Admiralty Patent—dates from the first state of things, and uses language appropriate to that situation. The other document—the Order in Council—is one of a series dating from the final transition to the second state of things, and it uses language appropriate to the present day.

It may seem strange that no serious attempt has ever been made to harmonize the inconsistent documents. Several Royal Commissions have explored the subject, but then the Englishman dearly loves to rise superior to logic and to perpetuate a situation of this kind.

It is perhaps scarcely surprising, in view of what has been said, that very different opinions have been expressed by different authorities on the question whether, in addition to the individual responsibility of the Members to the First Lord for the spheres of work definitely assigned to them by him, the whole of the Board still retains a collective responsibility for everything done in the name of the Board.

The first report of the Royal Commission on the Dardanelles operation during the late war contains evidence of uncertainty as to this point at a critical time. Personally, I have always considered and advised that there is a close analogy in this matter of collective responsibility between the position of the First Lord's colleagues on the Board in relation to himself, on the one hand, and to the public on the other, and the position of any Member of the Cabinet in relation to the Prime Minister and to the public. In all ordinary matters, a Cabinet Minister is expected after having given his opinion, to defer to the decision of his Chief, thereby accepting his share of collective Cabinet responsibility even for a policy with which he does not agree. But in matters of very great importance in which he feels that he cannot conscientiously allow himself to be supposed to have acquiesced, nor can accept a share of this collective responsibility, his proper course is to resign office. I regard this as the position also of an individual member of the Board of Admiralty. I do not think that the collective responsibility really can be said to arise out of the stately words of the patent. I think it arises out of the present day association of the Members of the Board with the First Lord in what may very well be described as a "Naval Cabinet."

I think a good many members of the public would not only be disposed to insist strongly on the importance of the collective responsibility of the whole Board, as an assurance to the country that the professional knowledge and advice of the distinguished sailors on the Board are fully utilized, but would go further and ask, why should we have a civilian First Lord at all?

The · Journal · of · Public · Administration

The First Lord's song in *Pinafore* describing the career by which Sir Joseph Porter had fitted himself for the task of ruling the Naval Service has delighted us all. Possibly it has also led some of us occasionally to wonder whether we gain or lose by our system of entrusting the supreme control of naval administration to a civilian Minister? Save in Great Britain and the United States, this system is the exception rather than the rule. Moreover, it has been by no means an invariable rule in this country. The list of First Lords of the Admiralty during the eighteenth and early nineteenth centuries includes such great admirals as Anson, Keppel, Hawke, Howe, St. Vincent, and Barham, and in the 100 years between 1700 and 1800 there were naval First Lords for almost exactly half the time. But in spite of precedent and theory and sentiment—for it must be admitted that one's first feeling is that it would be much more appropriate to allow a sailor to manage the Navy than to stick to the system which Gilbert found it so easy to satirize—in spite of precedent and theory and sentiment, I am convinced that the Navy and the Admiralty would lose much more than they would gain by the substitution of a naval for a civilian First Lord. In my opinion, a naval First Lord who was a full Member of the Cabinet, sharing responsibility for its political policy and depending on its political fortunes, would quickly lose prestige with the Navy as well as being an intolerable nuisance to the non-political Sea Lords. On the other hand, a non-political naval First Lord who was only a Member of the Cabinet for the purposes of matters affecting the Navy, would be a far less effective instrument for administration than either our civilian First Lord or our non-political First Sea Lord. Under our present system, the First Lord being a full Member of the Cabinet, can ensure that the First Sea Lord's advice is always heard by the Cabinet when the occasion demands it. Under the other system there would be no assurance that the Cabinet would not arrive at decisions without ever remembering that there was a naval First Lord who ought to be summoned and heard. In Germany before the war the administration of the Navy was entirely in naval hands, but the German Official Naval History of the War shows that during the critical days before the outbreak of war the German Government constantly either forgot to consult the naval authorities, or ignored their advice when tendered. I must qualify my view, however, by adding that there is a disturbing tendency which, if it continues, will certainly have a detrimental effect on the efficiency of our present Admiralty system of administration, and I think also of Government administration generally. I refer to the tendency in modern Cabinets to shift the Ministers in charge of departments about from office to office with a frequency unknown in earlier times. To illustrate this, I would point out that in the twenty-two years from 1856 to 1878 we had eight First Lords—the average tenure of office being thus nearly

The Administration of a Fighting Service

three years. In the twenty-two years from 1878 to 1900 we had seven First Lords—an average of over three years each. But in the twenty-two years from 1900 to 1922 we had eleven First Lords, so that the average dropped to two years each, and during the last seven and a half of those twenty-two years we have actually had six First Lords, giving an average of less than two years in office. Such rapid changes make it quite impossible for a Minister to become thoroughly familiar with the administration of his department, and after a series of Ministers has suffered under this disadvantage a tradition is apt to become established that the Minister himself does not deal with various matters with which his predecessors of ten or twenty years ago dealt. Thus bureaucracy grows without any wish on the part of the bureaucrats.

As you have probably gathered from what I have already said, our detailed scheme of organization at the Admiralty is based on a division of the business of management of the Navy into a number of spheres. Each of these is assigned for purposes of superintendence by the First Lord to a particular Member of the Board, under the authority of the Order in Council which represents at the present day the original Order in Council obtained for this purpose by Mr. Childers in 1869, as already described.

The number of the Lords Commissioners has varied from time to time. The smallest number in modern times has been five from 1868 to 1882. The largest number was eleven, during the last year of the war under a First Lord, of whom it may respectfully be said *Nihil quod tetigit non amplificavit*. The present number is eight. In addition, there are the Parliamentary and Permanent Secretaries who are not Lords Commissioners, but who, together with the Lords Commissioners, form the Board of Admiralty.

Broadly, the present spheres of the Members of the Board are as follows—

First Sea Lord, assisted by Deputy Chief and Assistant Chief of Naval Staff	} Operations and movements of the Fleet. Naval Staff work generally.
Second Sea Lord	Personnel of the Fleet.
Third Sea Lord (who has the title of Controller of the Navy)	} Provision of ships and armaments and work of the dockyards.
Fourth Sea Lord	} Supply of fuel and stores. Naval pay questions.
Civil Lord	} Labour questions and provision of works and buildings.
Parliamentary Secretary	} Parliamentary business and Finance of the department.

The · Journal · of · Public · Administration

Permanent Secretary . . .

{ Admiralty staffs, organization and procedure. Chief permanent financial officer and Accounting Officer for Navy votes.

Under the various members of the Board are grouped the Directors of Departments, some of them naval officers, some of them civilians, for purposes of general superintendence—the various sections of the naval staff under the First Sea Lord, the departments concerned with personnel under the Second Sea Lord, those concerned with the design and provision of war material and with the dockyards under the Controller, the store departments under the Fourth Sea Lord, and so on.

We have in all thirty departments, including the naval staff. Nine of these are naval personnel departments dealing, under the Second Sea Lord, with the officers and men of the various branches of the Navy, or with naval personnel work in its various aspects—Recruiting, Mobilization, Education, Sport and Physical Training. Eleven are material departments dealing under the Controller with the design and provision or repair of ships, and their armament and equipment.

It is not my intention to give a detailed description of our various departments and their duties. That would be as tedious for you as for me.

But I should like, at this point, to answer a question that is sometimes put by quite intelligent people—why should the number of Admiralty departments, and the complexity of Admiralty work, continue to increase, although we have a smaller Fleet at sea and a smaller number of men in the Navy than in the years immediately before the war?

The answer is two-fold. In the case of the departments concerned with material, we are dealing, it must be remembered, with a science, the science of naval warfare, which is continually progressing. However much we may wish that it would stand still, it never does. Consequently our weapons are continually becoming more ingenious, more complicated, more powerful; and their provision, and the simultaneous provision of possible means of defence from them (for in a fighting force attack and defence have always to be provided for simultaneously), are continually throwing new work upon the Admiralty. As a matter of fact, the work involved in providing and maintaining a naval force depends much more on its composition and equipment than on mere numbers or tonnage. There would be less work and less complication of work from an Admiralty point of view in providing and maintaining a force of *X* battleships than there is in providing and maintaining a force of *X* ships, made up of battleships, battle cruisers, light cruisers, destroyers, submarines, minelayers, minesweepers, and all the other items which now go to make up an efficient Fleet. Further, it is, unfortunately, seldom the case that a new development, a new

The Administration of a Fighting Service

invention, is so complete and free from limitations, that it entirely supersedes what has been in use before. I imagine it might be the case that the tank may supersede cavalry on the plains of Europe, but be quite inferior in operations resembling those of the South African war. Wireless telegraphy may supersede all other methods of communication between ships over long distances and under many conditions, and yet it may be as necessary as ever to continue to provide for the semaphore and other systems of visual signalling, for use at short distances and under certain conditions. Therefore we constantly find ourselves forced to adopt some new weapon or development and yet unable wholly to discard the old, and this obviously means increase and increased complexity of Admiralty work. I am aware that the Geddes Committee had a drastic remedy for this. They urged that no new development in the way of new arms ought ever to be adopted unless it "justified itself and the increased efficiency of the fighting machine" by a reduction in *cost* in some other direction. I cannot think that this opinion is remarkable for its common sense. The efficiency of a fighting force means its capacity to beat a possible adversary, and the true test of the value of a new invention must be its potentialities in relation to that end. A fighting force is different from a railway, which may perhaps judge of all developments by their effect on the balance sheet. Railways need not provide against an adversary who will seek by violent measures to prevent them from carrying on their activities: at least their only such adversary is fog, which goes on beating them every year and many times a year, apparently without the slightest shame on their part, though to the great inconvenience of the public.

The other direction in which the administration of a fighting force is always tending to become more complex is in matters connected with the personnel of the Fleet. Here we are largely affected by the progress of social legislation, and the standard of living in the country generally. In proportion as more is done by legislation or otherwise to improve conditions of life and increase opportunities of advancement for the classes to which the men of the Navy belong, it is necessary for the Admiralty to give more attention to the well-being of the latter. The administration of the personnel of the Navy, the object of which is the maintenance of an efficiently trained and reasonably contented body of 100,000 men, more or less, for the service of the Fleet, really involves nothing less than the management of the daily lives of a whole community. And not an ordinary community, which can, in most respects, look after itself; but an isolated, self-conscious, and therefore sensitive and somewhat suspicious community; and also a most helpless community. We talk of the sailor being a handy man; but from some points of view, I believe he is the most dependent being in existence. The ordinary citizen mostly manages his own life and needs to come into

The · Journal · of · Public · Administration

contact with a Government department only at infrequent intervals, and generally for unpleasant purposes. Even the member of a profession or trade which has the doubtful privilege of being a special object of interest to a particular department, as for instance, the schoolmaster, the farmer, the fisherman, the coal miner—is able to enjoy a good part of his existence free from that department's well intentioned but usually unwelcome attentions. But from the moment the sailor joins the Navy to the time when he leaves it, and often even after that, he leans on the Admiralty for everything.

In considering what are the most striking features of our Admiralty organization, I place first of all, as will be clear from what I have already said, the survival at the Admiralty of the old system of administration by a Board in a really vigorous form. I have no doubt that this is the feature which would impress itself most forcibly on any civil servant brought up under the simpler sort of departmental organization, where you have only the Minister, a Parliamentary Under Secretary and the Permanent Head of the Department, in control. Coming to the Admiralty, and finding that on the same level as the two latter, you have to deal with seven other masters, to recollect their respective spheres, and to assist them to do the same, you might, I admit, find life rather complicated. It would indeed be idle to deny that the life of those who have to co-ordinate all these activities at the Admiralty is occasionally rather complicated. Undoubtedly, too, a strain is thrown on the chief permanent officials of the department by the frequent changes in the Board, due partly to the tendency I have already noted for Ministers to move rapidly from office to office, partly to the very wise rule that the Sea Lords should never remain so long at the Admiralty as to get out of touch with the sea service. I myself have been Secretary of the Admiralty for five and a half years, but in that period I have seen no less than fifty-two Lords of the Admiralty and Parliamentary Secretaries fade away.

On the other hand, the Board organization possesses great advantages, and I doubt whether we should secure them in any other way. It gives to the nation the assurance that on any question involving the Navy, the Government of the day shall at any rate be aware of, and be bound to consider the highest naval opinion. It has been proved to have very great driving force, should there be any hesitation about providing the minimum naval strength necessary for the defence of the Empire. It gives to the naval service a much greater confidence in Admiralty administration than they would otherwise possess. At the worst, it provides a very valuable buffer between the Political Government of the day and an armed force of the Crown.

It is, moreover, an organization based on co-operation between the members of the Board, and therefore admirably suited for the

The Administration of a Fighting Service

government of a department whose efficiency depends absolutely on co-operation between the units, as I shall in a moment point out.

This justification for the survival of the Board system was noted and excellently expressed by a Parliamentary Committee in 1871 in the following words—

The department is one in which so vast a mass of business has to be dealt with that a division of labour is absolutely necessary, and this requires that the different branches of the office shall be under different persons having authority to deal with all matters of detail. But, on the other hand, all this mass of business has one common object, and what is done in one division necessarily affects the business of all the others; nothing, therefore, ought to be done in one without considering its bearing upon the others, and it is requisite that there should be some provision for keeping the heads of the several divisions of the department fully cognizant of what their colleagues are doing, and for securing unity of purpose among them.

The passage goes on to point out that this necessity for co-operation is well met by the system of general superintendence by a member of a Board, who has also the power of at once bringing any important matter that arises to the notice of the rest of the Board and getting a decision thereon.

This passage leads me naturally to the mention of the second striking feature of our organization, as it seems to me, namely, the number of our departments, the great variety of their duties and the manner in which their various activities require to be combined to fulfil those apparently simple ends which Admiralty administration has in view.

I remember an interview which I had during the war with the Bradbury Committee on Staffs, when Sir John Bradbury, after wading through the list of Admiralty Departments (larger of course then than now) exclaimed rather despairingly "The Admiralty is not a department; it is a *congeries* of departments." And, indeed, there might seem to be some justification for the remark, if one considers only the number of departments and the variety of their duties and types of staff. For instance, included in the Admiralty staff either at headquarters or in close touch with headquarters, I recall the following: Clergymen, barristers, doctors, nurses, pharmacists, astronomers, professors of all the main sciences, schoolmasters of various grades (for we manage a public school and several technical schools and elementary schools), analytical chemists, naval architects, marine engineers, electrical engineers, civil engineers, marine surveyors, land surveyors, shipbuilding draughtsmen, engineering draughtsmen, cartographers, chartered accountants, computers, experts on tide tables, on ballistics, on oil, on timber, on food stuffs, on textiles, on steel, on armour, on compasses, and every sort of ship equipment.

But really the phrase "A congeries of departments" does much less than justice to the Admiralty. A congeries seems to imply a miscellaneous conglomeration whose ingredients have no necessary connection

The · Journal · of · Public · Administration

with one another. It is a phrase that ought to be applied, not to the Admiralty, but to the Board of Trade, which has of late become the corner-heap upon which all the odds and ends of Government activity are cast promiscuously.

There is very little that is haphazard or disconnected about the array of Admiralty Departments. The noteworthy thing about them is not their number or variety, so much as their close inter-connection and the manner in which they combine to serve those administrative ends which I mentioned at the beginning of my paper. Perhaps I can best illustrate this by describing briefly the procedure followed in the design and production of a new battleship, which always seems to me to be the very romance of co-operation.

We start with the First Sea Lord and his Assistant Chief of Naval Staff laying down in general terms the features that they desire to see embodied in the new design—the speed, the radius of action, the offensive qualities, the armour protection. Thereupon the Director of Naval Construction, acting under and in consultation with the Controller, formulates provisional schemes outlining the kind of ship desired, together with forecasts of the size and cost involved by the different arrangements. To do this he and his officers must have a good general knowledge—in itself only attainable by close relations with those in charge of these matters—of the latest developments and ideas in regard to a great range of subjects—gunnery, torpedo, engineering, armour, fire-control, navigation, signalling, accommodation, and so on—in order to be reasonably sure that the provision included in his schemes is such as is likely to satisfy the experts in all these subjects, when the time for active co-operation arrives.

With these alternative schemes before them, the Sea Lords agree on the general lines of the new ship, which done, the actual preparation of the actual designs begins. The dimensions and shape of the ship are drawn out approximately by the naval constructors. Then the Engineer-in-Chief and his department are called in to agree upon the arrangement of the propelling machinery, the positions of shafts, propellers, bunkers, funnels, etc., and at the same time the co-operation of the Director of Naval Ordnance is required to settle the positions of the guns with their barbettes, the magazines and shell rooms and the means of supplying ammunition to the guns in action.

An understanding between these three main departments enables further progress to be made. The co-operation of the Director of Torpedoes and the Director of Electrical Engineering is now called for to settle the arrangements for torpedo armament, electric generating machinery, electric lighting, etc. So the design progresses and is elaborated from the lower portions upwards, and presently the Director of Naval Construction is able to consult the Director of Naval Equipment

The Administration of a Fighting Service

as to the proposed arrangements in regard to the sizes and stowage of the motor boats, steamboats, rowing and sailing boats to be carried, as well as of the anchors and cables; the Director of the Signal Department as to the wireless telegraphy arrangement; the Director of Navigation as to the arrangements for navigating the ship, and so on. In this way the scheme goes on growing in a tentative manner, its progress always being dependent on the co-operation of numbers of separate departments, all intent upon ensuring the efficiency of different parts, until ultimately a more or less complete whole is arrived at in the shape of drawings and specifications provisionally embodying all the agreements. This is really the most difficult and interesting stage, for generally it becomes apparent at this point that requirements overlap, and that the best possible cannot be achieved in regard to numbers of points within the limits set to the constructors. These difficulties are cleared up by discussion at round-table conferences, where the compromises which will least impair the value of the ship are agreed upon, and the completed design is then finally submitted for the Board's approval. Some fourteen departments are concerned in the settlement of the final detailed arrangements.

The actual construction of the ship by contract calls for similar co-operation on the part of the technical departments chiefly concerned, together with the contract department which now begins to function. The building of a battleship involves, as regards the hull and propelling machinery, one main contract and about 250 sub-contracts, and as regards the armour, armament and equipment, about forty main contracts and 350 sub-contracts, or nearly 700 contracts in all. The whole of the work under these contracts and sub-contracts is kept under supervision both as regards quality and rate of progress, by the inspection staff of the various departments concerned, so that every item may be ready for building into the ship at the proper time. On the efficiency of this co-operation depend the regular progress of construction and the punctual completion of the vessel.

I know of nothing more admirable than the precision with which the Admiralty Departments concerned with material, through long practice, combine with each other so that to the superficial observer what are really many distinct operations and responsibilities are made to appear to be one smooth automatic process.

Still taking "co-operation" as my text, I would point out that another essential feature of Admiralty administrative work is the co-operation of the naval officer and the civil servant. When I entered the Admiralty nearly twenty-six years ago, there were less than fifty naval officers employed there. Now there are more than five times that number. The increase is due almost entirely to the development of the naval staff, i.e. the body of naval officers dealing with "staff work,"

and the addition and expansion of technical departments dealing with naval weapons and equipment. That the change has immensely increased the efficiency of the Admiralty I need scarcely say. The advantage gained is not merely that the Navy gets better material, but the whole atmosphere of the department is, as it were, being constantly "blown through" by the coming of officers fresh from the sea.

Generally speaking, however, the principles upon which work is assigned to naval officers or to civilian staff respectively remain the same as in 1897. The Navy is above all things a sea service, and naval officers themselves are foremost in demanding that it shall never become anything else. Also the Navy is a highly trained professional service, with a professional training much longer and more exacting than that of the Army officer. It is for these two reasons that the naval officer at the Admiralty is always employed as a professional expert, and as one, moreover, whose professional knowledge can only be kept up to date by periodical returns to sea service. The posts reserved for naval officers are, therefore, posts with professional or technical duties, or such administrative posts as require recent and intimate knowledge of conditions at sea rather than continuity of experience or knowledge of departmental methods. Such posts as a rule are held for not more than two years, after which the officer goes afloat again, so as not to lose touch with his profession. Naval architecture, civil engineering, and (at present) electrical engineering necessarily fall outside the sphere of the naval officer. Posts where continuity of experience, thorough familiarity with departmental methods, and touch with other departments of State or with the business world are prime requirements are assigned to civilians, as well as the whole of the purely clerical and routine work of the naval departments. Under this division of work there fall to be carried out by the civil servants not only the financial, contract and general clerical work of the Admiralty, not only the design of ships, docks and engineering works and the detailed administration of the dockyards, but the whole of the supply of coal, oil, stores, ammunition, provisions and clothing to the Fleet. These duties bring naval and civilian staff into the closest association in every branch of administrative work. I believe that we thus utilize the special training and qualifications of both naval officers and civilians to the best advantage, and in my experience this system has produced a harmonious as well as an efficient department.

Finally, I must mention one striking feature which makes the work of a department that administers a fighting service particularly difficult, and to some extent unsatisfactory.

The efficiency of the administration of the Navy in some of its most important respects can be gauged in only one way, and that is by the test of war. One looks rather enviously at those departments which

The Administration of a Fighting Service

can measure their progress, their success, by immediate financial results, by statistics, or by reference to some ideal standard which they desire to attain. For we are working not for an end which we hope to attain, but against a contingency from the thought of which we recoil. And yet unless it comes, the success or failure of much of our daily work remains a matter of doubt, of speculation.

I remember some words of Mr. Arnold-Forster in the House of Commons when Parliamentary Secretary of the Admiralty in 1902, which brought this aspect of our work vividly before the House and made a great impression on his hearers. He said—

I am confident that the spirit which should animate, and does animate, the Board of Admiralty with regard to the preparation of the Fleet for sea may be expressed in one phrase, which is the preparation of the Fleet for war. The Navy has no other *raison d'être* at all except as an instrument to be used in war. Anyone who touches even the fringe of the administration of that great service must feel haunted by the idea that all this will be tested one day. When the guns are shotted, when the war heads are on the torpedoes, when the sound of firing is heard in the Channel and losses are reported, and when men's hearts fail them, that is the time when all this will be tested, and I do truly believe that that is the conviction which is in the mind of every man who is concerned in the administration of the Admiralty. If it were not so, I am sure we might feel hopeless enough as to the safety of this country in time of war.

Twelve years after he spoke those words, the test came. And it is instructive to remember that the Powers whose names were in everyone's minds as possible enemies when the words were spoken were not the Powers with whom we went to war in 1914. So difficult is it to forecast the future for twelve years, or even for ten years.

It is because of these uncertainties, these risks, believe me, and not because we desire war, that we are not satisfied to sit down quietly, thinking that in five years or in ten years it will be time enough to revise our administration, but feel that, now and always, the department that administers a fighting service must be ready for that stern test.



Public Administration: A Science

BY F. MERSON, B.Sc. (Econ.)

"Where the well-being of our fellow-men is concerned it is not enough to be well-meaning. Government is an art, not an inspiration; and those who are concerned with it, whether as rulers or voters, should have studied its problems, reflected on its possibilities and limitations, and fitted themselves to profit by its accumulated experience."—ZIMMERN, *Nationality and Government*.

SPEAKING at the Central Hall, Westminster, some time ago, before the Institute of Public Administration, Sir John Anderson, Permanent Secretary to the Home Office, dwelt on the difficulty of deciding whether it was possible to mark off public administration in such a way as to enable useful study of it as a science to be undertaken. In doing so he drew attention to a problem which must have exercised the minds of many of his hearers whose training in other sciences had taught them the principles of scientific investigation and who doubted whether public administration provided a sufficiently defined field for the application of those principles. Many of those who fail to support the Institute of Public Administration are held back by a failure to realize what administrative action means to social organization in the complex life of a modern state. Public administration can no longer be conducted in the spirit of opportunism which characterized the government of this country until late in the nineteenth century, and which still exists in the sphere of legislation. "The purely empirical method is out of date,"¹ and no one knows better than Lord Milner that when empiricism is abandoned the sphere of the scientist begins.

Practice is often in advance of science. Englishmen have a large experience of the practice of administration. Their wide-flung empire has provided scope for the development of administrative talent under varied conditions of climate and in relation to diverse races. The lead which England secured in the industrial revolution at the close of the eighteenth century, the immense aggregations of people in urban communities which raised problems governments had never had to deal with before, and above all the growth of democratic institutions which necessitated new methods of correlation between the governors and the governed, all these factors brought this country face to face with administrative problems of a new magnitude. Those problems were settled or bungled empirically. Nobody of considered thought had as yet arisen to guide the administrator. The engineer, the architect, the

¹ Lord Milner, *Journal of Public Administration*, Vol. I, p. 86.

Public Administration: A Science

physician have behind them a collected body of scientific fact by which they govern their actions, the lawyer is no less bound by a body of rules and forms which, if less scientific in their origin, are of equal importance as a guide to conduct. But the administrator until recently had no general propositions to direct him. Even to-day no systematic treatise on the subject of public administration as a whole is in existence. There is no text-book to which the student who desires to learn the scope of the new science of public administration may be directed. It is true the University of London provides courses in Public Administration as a honours subject, and other universities, including Oxford and Cambridge, provide analogous courses in Economics, Politics, or Civics, but even at London it may be doubted whether the sphere of the science of public administration has been sufficiently defined. Take for example a course of lectures on Comparative Public Administration, advertised to be given at the London School of Economics. On investigation it will be found that much of the matter deals with subjects proper to the science of politics, and that the greater part of the remainder treats of a body of facts which belong to constitutional law. Few students who had attended those lectures could tell off-hand how to define the science of public administration.

Our first duty must then be to define the scope of this new science of public administration, and, having so defined it, to pass on to an inquiry as to whether the methods of scientific study are applicable to our subject matter. Until this has been done it cannot be claimed that such a thing as a science of public administration exists. The scope of the science can be defined most clearly by reference to the relations between policy and administration. The established science of politics deals with the methods by which policy may be formulated; the cognate science of public administration puts policy into execution and begins where the science of politics leaves off. The dividing line is frequently crossed in practice; statesmen often take a hand in administration and administrators sometimes help to formulate policy, but this only serves to confuse the issue in the popular mind. A Minister is primarily an administrator, but the Ministry is an organization for the formulation of policy. The administrator gets things done, and, just as the science of politics is an inquiry into the best means whereby the will of society may be organized for the formulation of policy, so the science of public administration is an inquiry as to how policies may best be carried into operation.

It may well be asked at this stage why the necessity for a defined science of public administration should not have been apparent until modern times in view of the fact that the formulation of policy requiring execution is as old as the State itself, and that the foundations of the cognate science of politics were laid by Plato and Aristotle as long ago

The · Journal · of · Public · Administration

as the classical age of Greece. The answer is largely quantitative. The earliest examples of democratic institutions, the city states of ancient Greece, were simple and circumscribed in area and in the subject matter of their legislative manifestations. Those who formed the ministry, as we should call it, of those days were themselves able to direct in detail the execution of the policy they were called upon to administer. The growth of democracy was slow. After its decay in Rome, monarchical principles dominated Europe for over a thousand years. The struggle was between the divine right of kings and the divine right of the Church and, in either case, the execution of policy was directed by monarchs or ministers whose imperiousness left no room for the development of theory. Great administrators arose and were succeeded by mediocrities. Even the science of politics languished in spite of the foundations laid by Greek thought. Machiavelli and Filmer showed how monarchies might establish their power, but it was not until the Renaissance—and then chiefly in England—that the question of democratic, as opposed to monarchical, institutions seriously exercised the minds of men. The anti-monarchic doctrines which came into prominence in the sixteenth century added much to the science of politics. A succession of theorists surveyed the implications of the new democracy or opposed its course. Luther, Calvin, Bodin, Grotius, Hobbes, Locke, and Montesquieu revived the science of politics, and later Bentham, Spencer, Mill, and Maine applied it to the new conditions of the nineteenth century in this country. Meanwhile an ever-increasing complexity began to characterize the administration of the democratic state. Yet as late as the middle of the nineteenth century Parliament was still able to deal in legislation with most of the details of administration, leaving to departments merely the execution of the law on lines already largely defined. But in 1878 Gladstone complained that "of the more difficult descriptions of the public business, apart from simple routine, it is only a small part that is transacted with the requisite knowledge, care, and thoroughness. We have undertaken in the matter of Government far more than ever in the history of the world has been previously attempted by the children of men."¹ Only in a relatively small community is the direct personal government of mediaeval times possible, and, unless he is a superman, the activities of the modern autocrat are as restricted as were those of the Sicilian tyrant Agathocles, or of Chaka the Zulu king. Viscount Bryce rightly held that "the new democracies in particular suffer from an insufficient appreciation of the need in modern States of legislative and administrative knowledge and skill."²

Having separated the sphere of public administration from that of the science of politics, it is necessary still further to define the phrase

¹ Gladstone, "England's Mission," *Nineteenth Century* for Sept., 1878.

² Bryce, *Modern Democracies*. Vol. II, p. 504.

Public Administration: A Science

"public," although that definition is implied in the contrast which we have drawn between those cognate sciences. People who are constantly calling for the introduction of "business" methods into Civil Service administration would perhaps claim that no essential difference existed between the execution of a policy laid down by a Cabinet and of that determined by a board of directors in the case of a public company. Unless we can show that such a distinction exists the boundaries of our science of public administration become coincident with the study of industrial administration. The most obvious general distinction is based on the fact that most departments of public administration are diffused whilst industrial administration is as a rule concentrated. This distinction is not absolute. In some countries State banks and railways work side by side with private banks and transport systems. In either case a railway requires diffused administration, whereas a State mint or stationery office requires concentrated administration. But Sir Josiah Stamp has given us four other principles which serve to differentiate public from private administration: they are (1) the principle of uniformity, (2) the principle of external financial control, (3) the principle of ministerial responsibility, and (4) the principle of marginal return. The first requires that public administration shall be consistent, that it shall be in conformity with previous administrative rules and decisions on related subjects, and that it shall be uniform in its application to individuals or classes. No business manager is hampered by such an obligation. The second principle arises from the fact that in no modern democratic state does the executive power possess control of finance, whereas such a complete divorce between finance and administration is unknown in the business world, although something analogous may be seen in large railway organizations. The principle of ministerial responsibility is obviously not one which controls the business world. It is not to be found in the constitutions of some small monarchical states, but in these the problems which a science of public administration would deal with are relatively unimportant. The last principle, that of marginal return, is one which, whilst paramount in business, is wholly foreign to the civil servant. The business man will undertake any venture which offers a prospect of profit. His sole test is: "Will it pay?" The civil servant can take no such risk, he may not act until he is practically sure that action will be justified by results. Unlike the business man, he is given no opportunity to balance his losses against his gains. If he can just see a marginal return the business man will risk action, the civil servant dare not. These four principles differentiate all classes of public administration from private enterprise even in those few examples to which the broad general distinction of diffusion is inapplicable.

Having set limits to the sphere of the science of public administration, let us now inquire whether the methods of scientific investigation can

The · Journal · of · Public · Administration

be applied to the subject matter thus marked out. Science is investigation and observation, followed by tabulation, classification, and correlation. The subject matter of the exact sciences is measurable and consists of facts which can be isolated and have a relative uniformity. It may be objected that these conditions do not exist in the science of public administration. Its data cannot be isolated, and experiment, or the verification of deductions from observation of facts by fresh observation, is impossible, for society does not lend itself to the scientific observer for the purposes of experiment, but pursues its evolutionary course heedless of the attention of those students who would propound the principles by which it is moulded. But, as Huxley has pointed out, the difference between the social sciences and the so-called exact sciences does not depend on any fundamental distinction in the sciences themselves, but on the accidents of their subject matter, of their relation, complexity, and consequent relative perfection. Biology differs from mathematics in that its subject matter makes observation more difficult and correlation of data less exact. The science of public administration offers even greater difficulties, but observation and experience have, particularly during the last fifty years, provided a mass of ascertained facts upon which the scientist may exercise his deductive faculties, and the statistician is constantly providing him with materials for fresh deductions or for the verification of general propositions previously advanced. In recent years a great variety of data regarding social phenomena is being collected with increasing care and accuracy. A vast mass of public and private statistics provides a body of facts which have been isolated. The improvement of statistical method has enabled correlations to be made between apparently unrelated phenomena. It is the view of Sir Francis Floud¹ that it is wise to separate administrative and specialist, i.e. statistical, functions. The statistician is thus left free and unbiased to carry out his investigation of fact, and the administrator in the same way is free to compare and classify those facts which he has selected as relevant to his inquiry and to proceed by induction to general propositions. These propositions form the subject matter from which new facts may be deduced enabling the results of action to be foretold. The administrator can return to statistical results for verification of his deductions and, in adopting this method of studying his subject matter, he may truly be said to have conducted a scientific investigation of the problems of public administration. In the absence of data no such investigation could be made, but a science of public administration is to-day rendered possible by an accumulation of facts and data unknown to our ancestors. It was the opinion of Professor MacDougall that "in many directions—by the historians, the biologists, the anthropologists, the statisticians—data are being gathered for a

¹ Floud, *Journal of Public Administration*. Vol. I, p. 121.

Public Administration: A Science

science of society whose sure indications will enable us deliberately to guide the further evolution of the nation towards the highest ideal for a nation that we can conceive."¹ Such deliberate guidance cannot be entered on until a science of public administration has laid down general principles for the execution of public policy.

If then a science of public administration is possible, is such an investigation necessitated by the administrative problems of the present day? It has been said that "administration implies the performance of a trust" and "administrative law, rightly viewed, is the body of rules and principles by which governments seek to discharge this trust with efficiency."² Yet if those rules and principles have not been established on a sound scientific basis the efficiency of the government machine will break down in practice. The empirical administrator tempts fate when ill-considered regulations pregnant with unforeseen and irreparable effects are inflicted upon the seething masses of population in the great industrial towns of a modern state. *Ad hoc* resolutions may easily be arrived at in the closet which one would hesitate to formulate rashly in the streets of Lambeth or Whitechapel. Our administrators are too often out of touch with the facts of social life. Leading lives of seclusion, spending whole days in the isolation of a government office, and their mornings and evenings in the society of their own class, they are the children of a system which has never occurred to them as a subject for scientific investigation.

A distinguished colonial student of administrative problems has said that "perhaps the greatest need of the British Commonwealth is the pooling of legislative, administrative, and judicial experience. There are in this society of states a vast number of legislatures, administrative departments, and courts all occupied with much the same problems. It is obvious that their work would be considerably lightened, that much time might be saved and many mistakes avoided, if they had some effective means of pooling all the knowledge and experience gained by each."³ One of the most effective means of pooling knowledge on any subject of investigation is by the dissemination of an ordered body of general principles obtained by the scientific investigations of students who work independently yet pool all their contributions to the science they study. If public administration is studied scientifically, knowledge derived from all the states of the world, and not merely from those of the British Empire, will be pooled, but as long as different administrators and theorists continue to publish their views without any relation to a defined science of public administration, their contributions will lack just that quality which renders comparison and co-ordination possible. When

¹ MacDougall, *The Group Mind*, p. 300.

² Ghose, "Comparative Administrative Law"; quoted by Feetham, *Journal of Comparative Legislation*, October, 1921, p. 277.

³ H. Duncan Hall, *British Commonwealth of Nations*, p. 272.

The · Journal · of · Public · Administration

the scope of the science of public administration is clearly defined it will be but a step to the growth of that systematic literature on the theory of the subject of which we are now so much in need.

Attention has recently been drawn¹ by several writers to the continued growth of the practice of delegating legislative powers to government departments. These delegated powers, whilst increasing the influence of the Civil Service, are found in practice to relate to just those parts of legislation to which scientific administration is most applicable. Parliament confines itself more and more to the formulation of general policy for which as a body it is better adapted than for the detailed determination of administrative details. "The number of 'first class' British officials is about the same as the number of members of Parliament, and the two bodies discuss much the same questions. From the point of view of economy in time and effort, the official organization is immeasurably superior to the parliamentary."² Parliament possesses neither the time nor the administrative knowledge necessary to enable it to legislate without, in the first place, official advice as to whether a proposed policy will work and, in the second place, delegating to official discretion the administrative details of its policy. It is becoming increasingly true that "the real 'Second Chamber,' the real 'constitutional check' in England, is provided, not by the House of Lords or the monarchy, but by the existence of a permanent Civil Service."³ This position is a feature of public administration in the twentieth century and carries with it a corresponding increase in responsibility. "The administrative actions of government are effected by individuals who possess no inherent authority but derive their right to exercise their functions, mediately or immediately, from the community of which they, like the humblest citizen, are a part. They are the 'organs' of the social organism."⁴ We may reject the organic conception of society, but the community will not continue to place its confidence in administrative "organs" which do not possess a scientific knowledge of their function effectively differentiating them from their fellows. J. S. Mill spoke of the class of *professional public servants*⁵ who aid every minister by their experience and inform him by their knowledge of business. But the Public Service cannot claim the dignity of a profession unless it practises a definite branch of knowledge which is to be found only in a science of public administration.

In the future, perhaps the most important field for the application by the executive of those principles which a science of public administration

¹ Laski, "The Growth of Administrative Discretion," *Journal of Public Administration*, April, 1923; also Macassey, *Journal of Comparative Legislation*, January, 1923.

² Wallas, *The Great Society*, p. 268.

³ Wallas, *Human Nature in Politics*, p. 249.

⁴ W. Jethro Brown, *The Underlying Principles of Modern Legislation*, p. 123.

⁵ J. S. Mill, *Representative Government*, p. 108.

Public Administration: A Science

is to establish will be found in the sphere of social service. Although opinions must differ as to the extent to which State interference will affect social life, it appears unlikely that the growing density of population in industrial centres can result in a reduction rather than an increase in administrative activity. Professor Jethro Brown thinks that "the movement towards an increase in the activities and responsibilities of the State is destined to continue," for the extensions which have in recent years taken place in this direction "are expressions of a general movement which, whether wise or unwise, is the most momentous fact of our time."¹ The need for the application of those recommendations of the Haldane Committee on the Machinery of Government which relate to the development of intelligence work in Government departments² was never so insistent as it is to-day. A feature of that intelligence work was to be the continuous study of the methods of administration prevailing in regard to the same subject matter in other parts of the United Kingdom (where separate systems of administration prevail), in the empire, and in foreign countries. Human society, and what we know as civilization, must progress towards higher manifestations. But society connotes a surrender by the individual of something of his own freedom, and civilization a submission of some part of individual action to administrative control. Be it great or small, let us make that administrative control an instrument of perfection, for, as Goethe says—

In der Beschränkung zeigt sich erst der Meister
Und das Gesetz nur kann uns Freiheit geben.³

¹ W. Jethro Brown, *op. cit.*, p. 284.

² *Cd.* 9230 of 1918, pp. 6, 25.

³ Goethe, "*Was wir bringen*," Auftritt 19.



Polish Public Administration

BY EDGAR R. BROWN

ASTEAM from the melting-pot, our modern Europe lies astonishingly hazy before the view of contemporary Englishmen, and Poland is far from the least obscure.

I am vastly indebted, therefore, to Dr. W. K. Kumaniecki, Professor of the University of Cracow and formerly Polish Minister of Education, for supplying the greater part of the information upon which these notes are based, and to Professor Roman Dyboski, of the Cracow Chair of English Literature, for the considerable work of translation. The resultant article is the first serious introduction, in English, to the new machinery of the Polish public services and, perhaps, may be offered with some courage and considerable propriety for the attention of members of the Institute of Public Administration.

In the Middle Ages Poland possessed that rarity, a parliamentary system, and from the fifteenth to the seventeenth centuries she was a first-class European Power, but there followed defeat, the division of her territory between Germany, Austria, and Russia, and more than a century of subjection from the deprival of her last remnant of administrative independence in 1864 until the proclamation of the Republic on the 9th November, 1918.

"The Polish race has many gifts," writes Lord Weardale, "but perhaps its enduring faith is its most remarkable characteristic." Surrounded by the threatenings and the realities of invasion and upheaval, the architects of administrative organization tackled Herculean tasks. The Polish peoples, in partition, were accustomed to three main systems of economic policy, education, currency, administration, and law, and each of these was again divided. Austrian Poland had received a measure of self-government in the later nineteenth century, with provincial differences between Galicia and Silesia and in German and Russian Poland a medley of decrees, some recent and war-imposed, some dating from before the Congress of Vienna, was extant when dictatorial powers were accepted by Marshal Pilsudski, who gave way, in 1922, to a President elected by the two chambers of Parliament.

A Provisional Government, organized in Warsaw under German occupation, had issued, in June, 1918, a set of temporary regulations for the Civil Service, and these remained in force until the 17th February, 1922, when a Bill was passed defining the status of the civil servant.

Another Bill of that date organized Disciplinary Courts and directed procedure in the Service, but these laws did not extend to teachers,

Polish Public Administration

judges, railwaymen, and postal officials, for whom special regulations are in process of formulation.

Polish Public Departments, as at present constituted, include ministries for—

HOME AFFAIRS ;

FOREIGN AFFAIRS ;

FINANCE, besides a "Supreme Board of Control," with a President directly responsible to Parliament, to which all accounts of public expenditure are submitted for sanction ;

EDUCATION AND RELIGION, controlling over 50,000 elementary schools, six universities, 150 training colleges, two engineering high schools, and State-supported academies in the arts and sciences ;

JUSTICE, the additional office of Procuror-General representing State interests and institutions in the Law Courts ;

AGRICULTURE AND PUBLIC ESTATES, including mines and forests. A "Central Land Office" gives effect to the Land Reform Bill of 1919 for the break-up of large estates, and its head has the rights of a Minister. There is also a "Central Liquidation Board," of similar type, for the winding-up of accounts between Poland and neighbouring States ;

INDUSTRY AND COMMERCE ;

WAR ;

POSTAL AND TELEGRAPH SERVICES ;

RAILWAYS, all of which are State-owned ;¹

PUBLIC WORKS ;

LABOUR AND PENSIONS, and

HEALTH, having charge, *inter alia*, of an uniform organization of Illness Insurance Offices in every district.

Relations between the central and local government bodies are conducted by joint collegiate councils, consisting of elected representatives of the local authorities together with others, appointed by the central administration, the chief of whom presides over all their deliberations. Special administrative courts, in which both citizens and the ordinary judges are represented, decide questions of the legality of acts of the local administration, with final appeal to the Central Administrative Court at Warsaw.

For purposes of local government, Poland is divided into fifteen administrative areas, analogous to the English counties and corresponding to the old administrative provinces. These *voyvodcies* are sub-divided into *powiaty*, or districts, comprised of urban and rural communes. Administrative powers in each district are, on behalf of the central government, invested in the *Starosta* ("Senior") as head of the district

¹ It may be noted, as an example of the problems which confronted the new administrators that road and railway communications were inherited by this department in three types, differing completely in structure, plan and regulation. Railways and canals, moreover, are in need of very considerable extension.

administrative office, and he has charge of all branches of public administration therein, except in respect of the army, schools, law, finance, railways, post offices, mining authorities, and land reform offices, which are more conveniently administered by the central departments. The same divisions constitute the areas of local self-government.

Officials are graded into twelve classes, of which the first four consist of appointments by the President. Candidates are of three categories, according to education: (1) at one of the universities, attested by the prescribed examinations, (2) at a general or technical secondary school, (3) at an elementary or lower secondary school. The distribution of officials is effected by the Cabinet and the specific title conferred upon each holder denotes the functions of his post. Category (1) begin at the eighth grade and receive an addition of 5 per cent to their pay in respect of each year of university training; category (2) at the tenth, and category (3) at the twelfth. Diplomatic and Consular appointments are, of course, separately regulated according to international usage.

The "General Statistical Office" in Warsaw records particulars of all civil servants, of whom there are nearly half-a-million for a population of rather more than twenty-seven millions, but it ought clearly to be understood that public administration in Poland is considerably wider in scope than the English implication of the term.

Normally, a State servant may only be removed from duty by decree of his superior, based upon the verdict of a properly constituted disciplinary commission, but this provision is in abeyance pending reorganization of the whole body of previously appointed officials in grades four to twelve and very considerable reductions, amounting probably to 50 per cent of the whole civil establishment, have already occurred from motives of economy.

The pay of Polish public servants is regulated by special provisions for the various branches, differentiating administrative officials from judges, university professors or school teachers, but each salary may be considered in three parts: (a) the fundamental salary, fixed by a law of the 13th July, 1920, (b) a supplement for past service, calculated as $2\frac{1}{2}$ per cent of the latest fundamental salary in respect of each year served, and (c) a further supplement to meet the increased cost of living. The latter bonus depends upon the civil servant's rank and upon the size of his family. For this second purpose he is graded into four categories: (a) having no family, (b) having one or two members, (c) having three or four members, and (d) having a family greater than four. Children are considered until the age of eighteen as regards boys and twenty-four as regards girls. The bonus is then determined by the multiplication of a certain percentage, according to rank, of the fundamental salary, and an index figure in the usual way.

Civil servants occupying posts in the larger towns, such as Warsaw,

Polish Public Administration

Lodz, Wilno, Lwo'w, or in the eastern border provinces, receive further special additions, as do the heads of certain large departments and university professors having charge of public laboratories or being engaged in particular research work.

Conditions of appointment include Polish citizenship, a personal record free from criminal offence, freedom from legal disability, physical and moral capacity, and a knowledge of the Polish language, written and spoken. Recruitment is made between the ages of eighteen and forty, except by special permission. There is no limitation of sex and married women may be appointed under certain general conditions, but husband and wife, blood relations to the third degree or relations by marriage to the second degree, may not work together in offices having public funds or public property under control or supervision. Appointment is preceded by a probationary period of one year, for which a "promise" is required, to be followed by an "oath" when an appointment is made.

Including all extraordinary additions, the average civil servant is to-day in receipt of seven times the salary current in January, 1922, while judges obtain eleven times that figure, changes being effected by decrees of the Cabinet. But, "it is a fact," remarks Dr. Kumaniecki, "that civil servants in Poland generally have reason to complain of serious under-payment, as compared with wage-earners in various trades, and the increase in State-paid salaries never keeps pace with the increase in cost of living occasioned by the fall of the Polish mark."

They may travel, however, at half rates on all Polish railways, and railwaymen, besides travelling free, may obtain coal from the depots at cost price. All State servants have the right to free medical attendance and treatment at Treasury expense. The housing problem is acute in Poland, but certain classes of State servants, chiefly railwaymen and miners, may have special houses at low rents and with the advantage of allotments, and a very limited number of civil servants is lodged in Government buildings.

A general code of pensions is in process of being framed, and in the meantime pre-war regulations remain in force in each area of former administration. Under the Austrian-Polish system, the public servant may be provided for by the State in the event of permanent disability after ten (or, in exceptional cases, five) years, on a basis of 40 per cent of his latest full pay with an addition for each year's service beyond the tenth, so that after thirty-five years he is entitled to retirement upon full pay. The widow of a civil servant receives a pension of half her late husband's last salary, and each orphan is allowed one-fourth of the amount of widow's pension.

No inclusive professional organization of Polish civil servants exists, but the continental system of co-operative societies is represented in

The · Journal · of · Public · Administration

all the larger areas of public administration and Service interests are represented in the Press by several periodicals, of which *The Voice of the State Servant* ("Głos Urzędniczy") is the chief.

Notwithstanding that public officials are debarred from the franchise, the present Government has in preparation a legal measure designed to improve the status of all classes in the Service to a very considerable degree.

Considering the immense difficulties in the way of a coherently satisfactory organization, as well as the special problems demanding instant attention, it is surely a matter upon which the Polish public administrators are most heartily to be congratulated that they have in so brief a period evolved an almost finished and certainly workable machine, and the immensely wide sphere of control is an added factor for wonderment. For Poland there can be a future no less great than her remoter past. Not only will it be interesting to watch the consummation of these efforts; an exchange of professional sympathies can be nothing but well repaid.



The Summer Conference

The Summer Conference

[To be held in Trinity College, Cambridge, from 27th to 31st July, on Problems of Local and Central Government.]

I VENTURE to commend the practical utility of this Conference to all of those for whom it is possible to be present. A considerable experience of conferences which are analogous to this one, in purpose and procedure, has satisfied me of their real usefulness. In no other way is it equally easy to attain to a common understanding of the questions raised and of the steps which are most important for their solution. The Universities are now beginning to play a notable part in assisting and affording facilities for such organized meetings. In the present instance, certain of the Colleges at Cambridge have in addition most kindly offered hospitality to those attending. There will be charges for board and lodging, but these charges will be strictly moderate.

In order to enable suitable arrangements to be made, it will be necessary for those intending to be present to inform the officials in charge of the office of the Institute in London at an early date.

HALDANE,

President of the Institute of Public
Administration.

The Arrangements

In making arrangements for a Conference at Cambridge one of the principal objects in view was the provision of a venue where officers of both local and central authorities could meet and discuss the big problems with which they are faced in their day-to-day conduct of administration.

In his introductory message, printed above, Viscount Haldane speaks of the great practical utility of such a conference, so that nothing more need be said on this point here. But apart from this it was felt to be very desirable that the Institute should provide an occasion for its members to meet each other on intimate social terms. For this purpose a better setting could hardly be devised than that provided by one of the older universities of England. In such an environment one feels that everything combines to develop good fellowship and to prevent that diffusion of interests which besets all large cities and is the crowning evil of London.

The generosity and kindness of various colleges at Cambridge in providing facilities for the gathering together of this year's conference and the goodwill of those who have so readily responded to the invitation to preside over the meetings or to write the papers for discussion has made

The · Journal · of · Public · Administration

it possible for the Programme Committee to make all the arrangements necessary for a most successful week-end.

As no fee will be charged for attendance at the conference, the cost to each individual member or associate will be small, comprising only railway fares and the cost of board and lodging, together with incidental expenses, etc. The total cost in each case will probably not exceed 18s. per day.

Those who desire to participate in this conference are urged to notify the office of the Institute as early as possible in order to allow of adequate arrangements being made.

Programme

FRIDAY, 27TH JULY

FINANCE. Chairman: LORD EUSTACE PERCY, M.P.,
Parliamentary Secretary, Ministry of Health.

- 10.30 a.m. Paper on "Contributions from the Central Authority towards the cost of Locally Administered Services," by Mr. F. Ogden Whiteley, O.B.E., F.S.A.A., City Treasurer, Bradford.
- 2 p.m. Paper on "Local Rating," by Mr. A. Collins, late City Treasurer, Birmingham.

SATURDAY, 28TH JULY

EDUCATION. Chairman: VISCOUNT HALDANE, O.M.,
President of the Institute of Public Administration.

- 10.30 a.m. Paper on "Education Authorities, Central and Local and their Relations to Each Other," by Mr. B. S. Gott, M.A., Secretary, Education Committee, Middlesex County Council.
- 2 p.m. Paper on "Economy in Education," by Mr. R. F. Cholmeley, M.A., President, Headmasters' Association.

MONDAY, 30TH JULY

MUNICIPAL PROBLEMS. Chairman: MR. WILLIAM GRAHAM, M.P.

- 10.30 a.m. Paper on "The Economic interest of electors in services provided by a public authority, with special reference to the administration of Municipal Housing Schemes," by Mr. H. J. Laski, M.A., Lecturer in Political Science, London University.
- 2 p.m. Paper on "Town Planning," by Mr. I. G. Gibbon, C.B.E., Assistant Secretary, Ministry of Health.

TUESDAY, 31st JULY

PUBLIC SERVANTS. Chairman: THE RT. HON. AUSTEN CHAMBERLAIN, M.P.

- 10.30 a.m. Paper on "The Qualifications, Recruitment and Training of Public Servants," by Sir Stanley Leathes, K.C.B., First Civil Service Commissioner.

If possible the papers will be distributed to members of the Conference in advance, and will be taken as read at the Conference. The writer of the paper will open the discussion, the chairman will sum up, and the writer will then reply.

A. C. STEWART,
Hon. Sec., Programme Committee.

Reviews

Reviews

[It will be the object of the Reviews of Books in the JOURNAL to cover the whole ground of the literature produced in the preceding quarter which may have a bearing upon public administration. By this means, it is hoped, some assistance will be given to the student and some direction to the general reader. A judgment of the value of the books will be attempted, as portion of the ordinary duty of criticism, but the particular value of the book in its relation to the advance of the science of public administration will be regarded as the paramount criterion.]

I

"THE GERMAN REVOLUTION AND AFTER," by Heinrich Stroebel (Jarrolds). 12s. 6d. net.

THE student of the German revolution must take Herr Stroebel's writings into account. It is true they are partial, for Herr Stroebel is a disappointed man. He expected a new heaven and a new earth as the result of German Socialism coming into power. He found endless jealousies and disputes and differences. He saw the fissures over the war gradually widen when responsibilities for government passed into the Socialist hands. In his previous book he belaboured the compromise which had brought into being, under the guise of Works' Councils and an Industrial Parliament, a sort of pragmatic method of handling the situation within the bounds of individual ownership. He ventured on prophecies and his prophecies have not proved to be fulfilled. For the way in which what we all thought was a temporary expedient has succeeded is one of the surprises of our time. Many Socialists have declared that in its working this "compromise" arrangement proves to be wonderfully promising. Indeed, the direct evidence of comparative industrial peace through a period when prices have leaped up is really very impressive. No doubt the Socialists—as Herr Stroebel says—were frightened by what happened in Russia. No doubt, too, the Soviet theory of putting administration directly under the legislative in all its doings had a salutary influence, for the fact is that there is good ground for believing that what we may call "advanced Socialism" in Germany was chastened by the dread of tampering with administration methods and of putting the day-by-day direction of affairs under committees.

Yet it must be admitted that of this aspect we know exceedingly little. The present reviewer has attempted to make inquiries as to what happened to the Civil Service in Germany in recent years. He has not succeeded. It appears that the administrative departments have continued through the whole cataclysm, and with exceedingly little change. In fact, it seems that the change has only been possible, and also that the zeal for vaster change has been moderated, by the fact that a constitutional administration was in being, the members of which kept

The · Journal · of · Public · Administration

aloof from the fierce discussions. Herr StroebeI is so rapt up in the little quarrels within the ranks of Socialism that he offers no light on this most important aspect. In fact, in this book there are only two references to the subject. One of them deals with the question to which we have alluded above. The other, which shall be quoted later on, is a striking testimony to the fact that at a time of rising prices the civil servant comes off badly and that the "Works' Council" compromise, as an alternative to any other system of representative government, is to the disadvantage of the official.

Still, in spite of his omissions, Herr StroebeI has a grim and an interesting tale to tell. We might deduce from the disintegrating movement which followed the Revolution that "Socialism" is only a vague word in men's minds, and that once the effort is made to crystallize it into fact the troubles begin. It would require a genius at fine distinctions to conjecture into how many separate groups the old German Socialism has separated itself. In spite of Herr StroebeI's bitterness there is something to be said for the joint-industrial system. Apparently this particular pudding has revealed that in the eating it has some attractiveness, though it may be that the cooks are as unskilful as Herr StroebeI makes them out to be. If one might venture a conjecture it is that the revolution in Germany is not about to be as hostile to private venture as some prophets imagined, and that this is the reason why the prophets are angered. At any rate the officials command our sympathy. There is nothing of the pampered bureaucrat in a class which sees every other class in the community in a better relative position. "The intermediate class of officials who, in 1913, received more than four times the wage of an unskilled worker, received in the summer of 1922 only one-and-a-half times as much, and even the higher officials have been reduced from seven times to twice the income of an unskilled worker." It is apparent that an administration which has proved to be a bulwark against destructive tendencies must find comfort in the reflection that virtue is its own reward. Whether it is ultimately wise to have it so is a question for the State at large.

J. L.

II

"THE COTTON CONTROL BOARD," by H. D. Henderson. (Oxford University Press.) 7s. 6d. net.

IN no branch of public administration is it more difficult to obtain a basis of actual experience than in that concerned with the administration of industry under competitive conditions, at least as regards overseas trade, and Mr. Henderson's volume will be much quoted both by the advocates of the nationalization of industry and by their opponents.

Reviews

Although arising from war conditions the institution of the Cotton Control Board, unlike that for the control of wool, was not conditioned primarily by military needs. Cotton textiles were not required to a large extent for the prosecution of the war, nor was the main demand for them on the part of the civilian population of this country. It is true that, until the entry of America into the conflict, the maintenance of export trade was essential to uphold our financial strength, and it appears possible that Mr. Henderson underrates the importance of this aspect of the question at an even later period; but the main reason for the control of the cotton industry was the necessity of providing employment or maintenance for a large section of the population who could not be made to subserve military or munitions requirements. Owing to the large proportion of women and of persons under or over military age, the diminution of supplies of raw material due to shipping difficulties was not, as in some other trades, counteracted by the drafting of employees into the Army.

The problems before the Board were formidable. With the memory of the "cotton famine" of the Civil War days before them, they realized the effect that an increasing shortage of supplies might have on the national morale, if there should be widespread destitution in Lancashire. At the same time it was only in the most urgent necessity could they ask that shipping space should be diverted from the transport of essential munitions of war. They had to deal with, perhaps, the most complicated and highly organized of all British industries. Furthermore, since the shortage of supplies concerned only American and not Egyptian cotton, and as the calling up of men of military age affected individual mills to a varying extent, the usual systems of control, such as rationing, would fail to secure justice as between mill and mill. The great strength of the Board, and its weakness later, lay in its constitution; with the exception of Lord Colwyn (who soon resigned owing to pressure of other public duties) and Mr. S. J. Chapman, representing the Government, all the members were representatives of the industry, employers and employed. Although, therefore, the compulsory powers of the Government were used to give force to the Board's decision, the industry was, in fact, controlling itself. Mr. Chapman (now Sir Sydney Chapman, Joint Permanent Secretary to the Board of Trade), the one official representative, was Professor of Economics at Manchester University and was therefore not out of the picture of the "Lancashire family party" which had so much influence on the industry.

The objects of the Board were two-fold, to limit the output of yarn and cloth and to provide an unemployment fund. This was done by a system of licences and levies upon all spindles and looms, above a certain proportion, working in any mill or shed. Since Egyptian cotton was plentiful, it was possible to license mills spinning Egyptian cotton to their

The · Journal · of · Public · Administration

full capacity, and to use the levies thus obtained to pay unemployment benefit to the operatives of the mills spinning American cotton. The Egyptian mill owners, among whom was the chairman of the Board, Sir Herbert Dixon, agreed to pay levies from which neither they nor their operatives obtained benefit, and this disinterestedness was one of the most important factors in ensuring loyal acceptance of the control. A similar system of licensing looms was adopted, but it is admitted that owing to many complications this system was not so successful. Unemployment benefit was distributed through the operatives' unions, the Board simply laying down general principles upon which the funds were to be administered by the unions. As the funds were not public money the complicated procedure necessary for public accounting was not required, and the system worked well though it would have broken the heart of a Treasury official. Except for the cardroom operatives, a system of "playing off" was adopted, whereby an operative worked for four weeks and was unemployed for one. Mr. Henderson sets out the many objections to this system, but it is doubtful if our present experience of the demoralizing effect of continuous unemployment pay does not tend to show the rota system as being not wholly bad.

The final loss of public confidence in the Board was due to its becoming involved in wages disputes. Although in theory the Board was not concerned in such questions, it was impossible for the representatives of the employers and the operatives who met in other capacities not to become involved in the disputes and to avoid considering one set of questions in the light of their negotiations on the other. The Board's influence may be said to have terminated with the spinners' strike of 1918, but the recent announcement (cf. *Manchester Guardian*, 3rd May) that the cotton industry in view of its present difficulties is setting up a voluntary Cotton Advisory Board to proceed by limitation and levy, is evidence that the basic principles of the control were sound.

A body of trained public servants, with a tradition of disinterestedness, might have avoided some of the pitfalls which ensnared the Board, but it is open to grave doubt if they would have succeeded so well on the whole, and it is certain that public servants may learn much from this volume.

E. H. BLISS.

III

"WORKSHOP ORGANIZATION," by G. D. H. Cole. (Oxford University Press.) 7s. 6d. net.

MR. G. D. H. COLE, with his usual carefulness and comprehensiveness, has written an admirable study of workshop organization, including an analysis of the development of Whitley Councils in industry and incidentally in the Government service. It comes to us for consideration in

Reviews

a week in which the Minister of Labour has made an especially important speech on Whitley Councils. Careful and comprehensive though this study is, we cannot but believe that it is too pessimistic. It is certainly less than justice to say that "only a few isolated employers, such as Messrs. Cadbury, Messrs. Rowntree, and Messrs. Pascall, have even attempted to take seriously this part of the Whitley reports." The record of works' councils issued by the Ministry of Labour shows that there has been considerable development, and though perhaps it has not been as sweeping as some of their votaries would expect, yet it is a growing development, and there are many signs that employers are now taking up a much more favourable attitude to the district and works' councils aspect of the proposals. Mr. Cole is quite fair in stating that there was also a reluctance on the Trade Union side. In the study of Whitley Councils in the Government service there is also room to believe that Mr. Cole is too pessimistic. A comprehensive sentence like "This machinery has not worked well" is much too simple to be trustworthy, and it would take a very careful and wide-reaching study to estimate the results of Whitleyism even in the Post Office. This is not said in a carping or fault-finding spirit, for the book contains information indispensable to the student, and it is written with Mr. Cole's invariable lucidity and desire for fairness.

J. L.

IV

"A CRITIQUE OF ECONOMICS: DOCTRINAL AND METHODOLOGICAL," by O. Fred Boucke, *Professor of Economics at Pennsylvania State College, New York.* (Macmillan Company.)

MR. BOUCKE writes with a style of his own, and it is not altogether easy to get into touch with it. We come across remarkable phrases, such as, "if temporarily it has been yanked out of its familiar tracks," or "the rate at which goods will be exchanged depends on the amount of a given good which each of the buyers or sellers will offer for the desired good of the opposite side." Nevertheless he has something to say. He exposes both classical and marginal economics to a severe criticism from the point of view of modern psychology, sociology, and logic, and after he has finished his criticism he indicates the factors which will enter into a newly developed science of Economics. He asks for a clearer distinction between economics as a philosophy of life and what we are pleased to call the applications of economics to actual interchange of goods. He claims, indeed, that the ordinary conception of production, distribution, and consumption will be substituted by "a tracing of sequences (or co-existences) that acquaint people with social interests and things rather than with competitive coins and counters of currency." It is all well argued, and it touches upon new developments

The · Journal · of · Public · Administration

of cohesive life, recognizing what he calls "cosmic force" and national purpose. Truly we are moving from the older economics. Professor Boucke indicates with much cogency the direction of the movement, and in a sense is a pioneer in doing so. Others have smitten the Economic Man; this book conducts the funeral.

J. L.

V

"THE LAW OF CITY PLANNING AND ZONING," by Frank Backus, A.M., LL.B.
(Macmillan, New York.) \$5 net.

THE examination of a work like this fills the Englishman with wonder. It is issued as part of a popular series—"The Citizen's Library of Economics, Politics, and Sociology"—yet it is quite certain that no plain English citizen would ever dream of reading it much less of buying it. It is, in fact, a compilation of summaries of the laws and regulations in regard to town planning of the principal European countries and of America itself. At the same time it attempts comparisons, makes suggestions, and even gives advice. There are over 700 pages, more than half in small type, and the present reviewer does not pretend that he has mastered its contents. What has occurred to him in steadily going through it is that the author is hardly less overwhelmed by the masses of his material than the unfortunate reader. In fact, anyone who tries to deal with it as a book will fall into error. It is not a book but a compilation. Treated as a book it is bound to produce the most painful attack of mental indigestion.

Treated as a compilation it assumes a different aspect. It is well arranged. Its table of contents clearly indicates what it contains. It gives detailed information as to the nature of town, city, and district planning wherever they have been attempted. It backs all this up with a full bibliography, with a table of American statutes, an index of statutes generally, an index of American cases, and a most scientific index to itself. In short, no student of the subject but would find the book an invaluable possession.

This leads back to earlier remarks. No one would publish a volume of this sort in a popular series in England. Its very publication in such a way in New York suggests a number of interesting reflections. The United States have a reputation for graft and for the absence in the average man of the political sense which vitalizes our local government and our national Civil Service. Mr. Williams accepts this as a basic fact. On page 444 he says frankly, "To us in this country [U.S.A.] the study of foreign methods of city planning in connection with our own, is perhaps specially important, both because city planning is much newer here than in Europe, and administrative methods are of slow growth,

Reviews

and because political administration is one of the things in which we have been least successful." So on page 43 he writes: "It is a well-known fact that public improvements cost more than similar private enterprises. There are many causes for this. Public officials are sometimes less honest than private administrators, or less capable or less devoted." Again, on page 53 he mentions the fact that "in New York City men of ability and experience are too busy to give prompt and continuous service in matters outside their regular business." These are commonplaces of discussion in America. They are commonplaces here, too, and are the occasion for a good deal of complacency especially among civil servants.

But a book like this is not turned out by a firm like Macmillans for amusement. It is in itself evidence of very considerable interest in public affairs in general, and in this important matter of the ordering of civic life in particular. It suggests the presence of a surging public spirit, and in much of its detail shows it in conflict with constitutional doctrines which seek to maintain the individual against the community. The States are shown experimenting in various ways to achieve the regulation experience is showing to be essential. The inhabitants of the American cities are shown developing a civic sense and a passion for the beautifying of their towns which does not easily square with their generally accepted reputation.

The American town planner begins to appear not so hampered by the Constitution as at first sight was the case. Assessments are on the capital value and not on the rental value of land, and a powerful influence against the use of land such as exists here is absent. The principle of assessment on areas of special benefit tax is accepted. Thus the whole cost even of parks and playgrounds may be paid. The case of Kansas City is particularly quoted: "The city is divided into six park districts. Practically the entire expense of parks within the city is paid by these districts, the expense being assessed upon abutters and others specially benefited in proportion to their benefits. Thus, virtually without cost to the city as a whole, an entire park system, extensive and beautiful, has been built up; and more wonderful still, landowners compete with one another to secure parks for which they themselves must pay." This compares favourably enough with the provision for local benefit assessment and the appropriation of half the increases in net value in our own Planning Acts of 1909 and 1919, especially in view of the present "stickiness" in operating them.

Again, the contemplation of this massive monograph must fill with envy those erudite Englishmen, the fruits of whose researches remain buried in the manuscript because here there are no funds available for publication. This book is turned out apparently commercially, but it recalls inevitably to mind the flood of publications by universities and trusts and societies which attests the amazing wealth of America and

The · Journal · of · Public · Administration

suggests the possibilities of its use. A continued contemplation and examination might well displace the commonplaces and disturb the complacency to which we have referred and substitute the healthy wonder which is the beginning of knowledge and of understanding.

J. H. M-G.

VI

"THE OLDER UNIVERSITIES OF ENGLAND," by Albert Mansbridge, Hon. M.A., Oxon; Hon. LL.D., Manchester. With drawings by John Mansbridge. 7s. 6d.

FOURTEEN years ago, during the summer meeting of the University Extension movement at Oxford, Albert Mansbridge, as General Secretary of the Workers' Educational Association, was in charge of a body of working men and women, numbering possibly one hundred, most of whom were making their first acquaintance with the university. It was not for most of us our first acquaintance with study, and we were possibly a little conscious of it. Some had come from the tutorial classes, others had attended courses organized by the University Extension movement, while another party came from the classes run under the auspices of the Co-operative Union. It did not, however, matter much from which of these various sources the individual member of the group had come, he was soon united with his fellows by a wonderful enthusiasm which carried all before it. Mr. Mansbridge's was the spirit from which this enthusiasm generated. Most organized enthusiasms produce in me a reaction of scepticism and sometimes aversion, but there was nothing sickly about this idealism. To understand this, one must first of all know something of the man who created it, something of the power which enabled him to hold together, in service to an ideal, men and women of every conceivable shade of political and religious belief, and almost every kind of social experience. In this book Mansbridge the man is revealed more completely than in any of his earlier writings. From one so widely known as an "Idealist" and a "Prophet," vision and democratic feeling are expected. Here are a few samples taken almost at random—

The twentieth century will set its hand to plough the most fertile fields of the mental and spiritual estate of England, undeterred by any barriers of sect, class, wealth, or sex.

Men whose powers are being either misused or used below their true level during the hours of work must have sufficient leisure allowed them to develop their own faculties, and they must seize the opportunity or this civilization of which we boast and with which we struggle will end in disaster.

At all times the mission of a University is to be an intellectual centre.

The hope is sure that Oxford and Cambridge will tend more and more to obliterate class distinctions, to remove sectarian animosities, and to unify knowledge.

But Mr. Mansbridge's power does not rest on the loftiness of his ideal alone; he is no mere builder of castles in the air. He writes "any

Reviews

approach to an understanding of Oxford and Cambridge must necessarily be historical," and again, "The history of the Universities is the history of England in little."

Another passage makes his point clear—

The University is one of three symbolical institutions of the City which have been developed by Christian civilization, and they represent roughly the threefold nature of man: the Cathedral the spirit, the University the mind, and the Town Hall the body. The right working of each of these institutions or their equivalents is necessary to the right working of each of the others.

Add to this that Mr. Mansbridge appreciates men even more than institutions, and the scope of his history is sufficiently indicated.

These extracts have so far been chosen to illustrate a noble idealism disciplined by a scholar's love of knowledge. One would have liked to quote a passage or two to illustrate his attitude towards the Philistines who from time to time have divorced the universities from their true calling; but space does not permit. No review of this book would, however, be complete without mention of the saving grace of humour. One illustration of this must suffice. Mr. Mansbridge loves a good story and here is one from a footnote. It concerns Dr. Watson who, towards the end of the eighteenth century, planted trees and blasted rocks on his Westmoreland estate, all the happier because he was Bishop of Llandaff, Regius Professor of Divinity at Cambridge, Professor of Chemistry, and Rector of not a few parishes far away in the less desirable Midlands or South.

The story is told that the landlord of "The Cock," wishing to be complimentary, altered the name of his inn to "The Bishop," and had a portrait of Dr. Watson painted as a sign. A neighbouring innkeeper saw opportunity in this and adopted the name of "The Cock." Thus he gained custom. This infuriated the landlord of "The Bishop Inn" so much that he sought to put matters right by painting out the name of the inn underneath the episcopal features and substituting "This is the Old Cock."

A note of congratulation is due to Mr. John Mansbridge, the son of the author, on the series of fine drawings with which the book is illustrated. In a very real way he conveys something of his father's appreciation of what is truly notable in Oxford and Cambridge.

A. C. S.

VII

"THE PEOPLE OF ENGLAND": I, THE PEOPLE IN THE MAKING; II, THE PEOPLE IN ADVENTURE; III, THE PEOPLE ON ITS TRIAL. By Sir Stanley Leathes, K.C.B., M.A. (Heinemann.)

In these days of intensive cultivation in the minutely sub-divided fields of historic research, it is interesting to light upon a work such as this, which, written by one of the foremost historical scholars of our day,

surveys the whole ground covered by English history, commencing, not with the coming of the Saxons as in Green, not even with the time-honoured point of departure, the Roman invasion, but with palaeolithic Britain, the Britain emerging from successive stages, and carrying the story on to the close of the Great War, the great slump, and the establishment of the Irish Free State. This great tract of territory is mapped out in the three volumes before us in a manner which has not before been attempted on quite the same scale, by means of a series of scenes and essays dealing not only with the history political and administrative of our island, but with its manners, dress, and customs, its domestic life and furniture, its science and sport, the agriculture, commerce, and manufactures of more than twenty centuries of its life. Traill's *Social England*, to which the author acknowledges his indebtedness, ignored the political history which binds the whole story into a continuous narrative.

The teaching and writing of history has recently been subjected to manifold change and experiment. There are the sociologists who would ignore kings and warriors, battles and treaties, to whom the boast of heraldry and the pomp of power are but transient accidents in the slow growth of a people. Again, there is the scientific school dealing with strictly documented, impartial and unemotional history, which has of late shown signs of a reversion to the literary methods of which Gibbon and Macaulay were the most brilliant exponents. History, as a form of literature and not merely, as its name properly denotes, the search for knowledge, is coming again into its own and the broad view of cause and effect, the chronological unfolding of the story of a nation, will never lose its appeal to the plain citizen who needs the touch of romance and the play of imagination to make the dry bones of old records live and have meaning for him. And so when the work of the scientific historian, so well displayed in the monumental productions of Cambridge University, is concluded, there needs the touch of a Wells or a Strachey to interpret it and to set out its value to the man who reads history that he may learn something of his duty as a citizen from the story of the failures and successes of the past.

But the old historians of this school merely presented the political crust of society, seldom glancing at the social forces beneath; and now, after the literary and the scientific, arrives the sociological school of history of which the book before us is the latest example. Sir Stanley Leathes, himself a scientific historian of the first eminence, has performed a signal service to his countrymen in placing his unrivalled knowledge and his critical apparatus at their disposal in a book which, intended primarily for the use of schools, will prove of enthralling interest to children of a larger growth. It is the most striking advantage of history written in this way that events and movements are exhibited in their true proportions. "From our historians," says our author, "we

Reviews

might get the notion that war and oppression and misgovernment were the whole of life ; but builders, carpenters, and quarrymen must be clothed and fed ; they cannot build with a spear in one hand and a shield in the other ; men cannot build for pleasure unless they have enough and to spare—in fact, the life of those times cannot have been so poor and so unsafe as written history might lead us to suppose."

So have we read of the peaceful life of the farm-labourer and the craftsmen, more normal than the periods of bloodshed, the good works of the monks and the friars, more prominent than their vice and luxury, and of the development of the arts. To the student of administration the book can be particularly commended for its clear account of the evolution, not only of parliamentary institutions, but, what is neglected and indeed ignored in the orthodox histories, of local governing bodies, the magistrates in quarter sessions, and their successors the county councils.

Throughout Sir Stanley Leathes maintains a just impartiality. There is no trace of "tenderciousness" in his political and religious passages. What is good and bad on both sides is presented lucidly and without bias. The keynote of the book will be found in the Preface : "The greater part of national life resembles the unconscious life of an individual. Trade, industry, agriculture, sport, letters, architecture are carried on consciously by individuals, but the nation is not conscious of them ; with many other functions they go to make up the unconscious life of the people."

It would be otiose to commend the absence of inaccuracy in a book like this. A careful reading has produced but a scanty harvest. The name of Shloe Lane (I, 222) has no connection with the trade in shoes. Harry Stunt (III, 90) is an engaging misprint, no doubt, for the name of "Orator" Harry Hunt, and the reference (II, 48) to "Jews and other dishonest persons" is scarcely happy. The illustrations, while carefully chosen so as really to illustrate the text, have been very poorly produced, except in the last volume where they are printed as plates apart from the text.

H. G. C.



THE FORUM

[The object of this section of the JOURNAL OF PUBLIC ADMINISTRATION is to provide an opportunity for frank discussion. Articles should not exceed 500 words and should be devoted to subjects of immediate interest to the Institute. They may or may not be signed, but must be written by an accepted Member or Associate of the Institute, and the name and address of the sender must be supplied.]

There is one question which might be opened for discussion: To what extent is the method of the public services capable of amendment? It seems to be on the whole the method of files and minutes. Much the same is adopted in the municipal services as in the centralized services, though I am best acquainted with the latter. Great files grow up, covered by jackets with a précis, and these files are handed about from point to point. But it seems that it is generally the practice for comparative juniors to "handle a case," and when they have mastered it to "send it up" for signature. There is a great deal to be said for this system. Apart from other advantages it gives experience and training to those who will be required to undertake responsibilities in the future. It is probably for this reason that the method has been widely adopted in other countries. But one would like to consider whether some less apparently cumbersome system would meet this particular need as well as provide a more expeditious method of crystallizing decisions in writing. Apparently it is a problem which has wide bearings. The development of large-scale industries has revealed a similar need, though in the case of industries there is not the same necessity for historic records. It seems to me that this is eminently a subject for "The Forum," since all sorts of experiences will be useful in examining it. If we reach the conclusion that the present is the best of all systems we shall avail ourselves of it with much more respect than if we have a sub-conscious feeling that it is capable of improvement.

A MEMBER OF COUNCIL.

It can be quite safely asserted that no country possesses such a well developed plan of internal communication by roads as France possesses, although at the moment several countries are very busy improving their highways. For purposes of administrative convenience French roads are divided into two main classes, *la grande voirie* and *la petite voirie*. In the first place we will deal with the former class. This group consists of the national and departmental roads. National roads are the chief military highways and those connecting most important towns. Departmental roads connect departments and the chief town of a department with the *arrondissements*. Streets of any town or village which

The Forum

form a continuation of the main routes also come under *la grande voirie*. All these highways are constructed and maintained by the central Government (*le service des ponts et chaussées*), general control and supervision being exercised by the Minister of Public Works, who is represented in the department by the Prefect. Expenditure upon the upkeep of the national and departmental roads is borne by the central Government and the department respectively. The regulation of traffic, etc., by the police is in the hands of the Prefect as the administrative head of the department.

The second group—*la petite voirie*—is constituted of urban and rural roads (such urban streets which do not form part or a continuation of the main routes). The urban system is controlled by the town councils and is maintained from local revenues. The rural roads are under the direct control of the central Government, the Minister of the Interior, who is represented locally by the Mayor or the Prefect. They are maintained by the communes, who generally receive grants and loans from the central Government.

The most striking feature of French highway administration when compared with that of our own country is the control exercised by the central Government, with the result that France is covered with a superb network of national roads. Much was done towards centralization of road maintenance, etc., by the Ministry of Transport in Great Britain, but that department has now almost ceased to function.

L. W. S. U.

A "Comprehensive History of the Civil Service," such as Mr. Shayler suggests would, presumably, chiefly concern the British Service, though introducing, one certainly hopes, some comparative study of foreign administrative history. The historian will not neglect Capt. Owen Wheeler's *The War Office, Past and Present* (Methuen) and Parry and Codrington's *War Pensions: Past and Present* (Nisbet), and should find some material of value in the brief sketch of Austrian Public Administration at the outbreak of war in chapter XII of Bogusial Vosnjah's *A Dying Empire* (Allen and Unwin).

E. R. B.



The Treasure House

THE electric locomotive, of which there are several hundreds in operation in the United States, could tell a startling story. It was born of necessity. When the Baltimore and Ohio wanted to burrow under Baltimore, coal-burning locomotives seemed out of the question for a tunnel so long. So an electric substitute was created. It showed such good results that one railroad after another tried electrified tunnels, uniformly with success.

When put to work hauling trains over that section (the three ridges constituting the Rocky Mountains) the electric locomotives began to show their real mettle. Terminal performances, commuter-zone competitions, and tunnel electrifications are all well enough, but when one comes down to essentials, a long stretch of road with three mountains to cross, innumerable grades to negotiate, and all kinds of weather to face—there is the place to put a locomotive to the real test.

But the test of which the electric locomotive may be proudest took place not so long ago at Erie, Pennsylvania. One of them, just out of the shops on the St. Paul's new order, was pitted against two of the steam giants of the New York Central. They could not be matched in a tug of war for, pulling against one another, a drawbar would be sure to pull out, with perhaps dangerous results.

So a pushing contest was staged instead. The two big steam locomotives were coupled together, and thus entered the fray. On a long stretch of track their engineers were told to open the throttles wide. With current off, the electric rival was no obstacle in their path, and they were soon taking it down the track at a passenger-train pace.

Then something happened; the engineer in the electric slowly turned on the current. The speed of the big locomotives began to slacken, and their smokestacks started to spout black smoke in a way that told how hard they were labouring.

Slower and slower they moved; harder and harder they worked, as though they were dragging a tremendous train up a heart-breaking grade; but with all that they could do they continued to lose speed.

Finally, though their throttles were still wide open and their cylinders were hissing with the pent-up steam that was unable to drive the big moguls forward, they were forced to a dead standstill.

But the pause was only for an instant. Still pushing with the last ounce of energy within them, their grip on the rails gave way, and they bowed to their master—the electric locomotive. The latter not only had stalled them but, turning on them, was driving them back in full retreat, in spite of the fact that they continued to strain every rod in their effort to check their onrushing rival.

But even with that sturdy proof of its supremacy the electric was not content. Again it allowed itself to be pushed down the track by its two big contestants. Again, with wide-open throttles they rushed it along at high speed. But again a little switch on the electric engine was thrown, a little switch which converted the motor that had overpowered its antagonists into a dynamo that acted as a brake.

Again the big giants began to labour, to shiver at the load they were encountering, to slow down under the burden. Slower and slower they moved, harder and harder they laboured, but in vain. For, whether plunging forward, motor-driven, or holding back, regenerator-braked, the electric showed itself their master and proved itself the Samson of rail transportation.

The argument was over, and since that day railroadmen everywhere have realized that the electric locomotive is destined eventually to succeed the steam locomotive wherever traffic is heavy and trains frequent.

How much the electrification of the railroads of the country will save is strikingly shown by an investigation based on the St. Paul's experience and other data. This shows that electricity can be produced at $2\frac{1}{2}$ pounds of coal per kilowatt hour and that 53,000,000 tons would suffice to produce all the electricity required to move the freight of the United States—a saving of more than 100,000,000 tons a year. These figures do not deduct anything for the added saving made possible

The Treasure House

by the use of hydro-electric power—the white coal of the country's unharnessed rivers. They are all based on all power being produced by coal-driven dynamos.

The National Geographic Magazine (U.S.A.)

* * *

Trollope does not tell us, in so many words, very much about himself in his *Autobiography*. He was, and he prided himself on being, "a gentleman of the old school"; and he had his inviolable canons of reticence. But that makes no difference. His book is his book; and from the first page it is pervaded by his physical presence, almost by an animal odour of masculinity. I cannot say I like him; but I am intensely aware of him. I do not even pity him for his miserable school days: I am too conscious that if anyone had really tormented him, Trollope would have knocked him out. He very nearly did make an end of one of his school colleagues; and he concludes his chapter: "From the first to the last there was nothing satisfactory in my school career—except the way in which I licked the boy who was taken home to be cured." There is neither room nor cause to pity Trollope. In his way, he was a force of nature.

Because he was that, when he looks back on his life, he really finds nothing to criticize. As far back as he can remember he has been engaged in trolloping—in the Post Office, in the hunting field, in literature; he looks on it and sees that it is good. Probably no man has ever made a more spontaneous or more disarming eulogy of his own nature than he in his account of his retirement from the Civil Service—

"How I loved when I was contradicted—as I was very often, and no doubt very properly—to do instantly as I was bid, and then to prove that what I was doing was fatuous, dishonest, expensive, and impracticable! And then there were feuds—such delicious feuds! I was always an anti-Hillite, acknowledging indeed the great thing which Sir Rowland Hill had done for the country, but believing him to be entirely unfit to manage men or to arrange labour. It was a pleasure to me to differ from him on all occasions—and, looking back now, I think that in all such differences I was right."

How utterly he disbelieved in the possibility of his being "very properly" contradicted! Every word in the rest of the paragraph is a tacit denial of his formal admission. The closing sentence is magnificent.

J. Middleton Murry, in the "Nation."

* * *

The task of scientific management is, in the first place, simply that fundamental problem of administration which arises in all human undertakings when complex and interrelated operations are carried on in a limited area by a large number of persons. It makes its appearance as the result chiefly of the growth in the size of our manufacturing establishments. And it is not to be wondered at that, until recently, the two other fundamental questions of business activity, viz., machinery and markets, have seemed more pressing. In a small shop it may hardly seem to matter just where the machines are placed, or in what order certain operations are done. It is only when there are many employed with diverse duties, when they begin to jostle against one another, that the situation has to be consciously faced. Let me take an example outside the field of manufacture. Early in the war there grew up in one of the large provincial cities a great office, occupying a whole floor of the municipal building, where several scores of workers, paid and voluntary, were occupied with the distribution of allowances to soldiers' dependents and with the relief of civilian distress. The accounting technique was soon most carefully thought out; there was an adequate supply of typewriters and telephones. But as the work grew, fresh workers were brought in and planted down just where there happened to be room, and as a result there was soon something like chaos. Somebody had to be found—and fortunately a calm and competent man was available—who could grasp the situation as a whole, divide the staff into departments according to its particular job, divide the floor space among the departments in the way most convenient for the dispatch of the business, and put each under

The · Journal · of · Public · Administration

clearly defined and responsible superintendence. This seems simple enough when it is done ; but, if rumour is not grossly unjust, one if not more of the new Government departments hardly succeeded in getting even so far during the war.

It is precisely this matter of the internal order of manufacturing establishments and of their several shops which has come to the front during the more recent course of the scientific management movement. That the work should be carried on by the several departments in sufficient, and sufficiently segregated, space ; that the areas assigned should be related in such a way as to economize the labour of internal and external transport and facilitate costing ; that work which is to be subjected to several processes should be "routed," i.e. definitely directed by schedules or otherwise, in its passage from machine to machine ; that tools and supplies should be systematically stored, catalogued, distributed, and checked ; that the orderly sequence of processes should be expedited by mechanical conveyors, and so on : all this seems very obvious. But in this country so many works had grown up from small beginnings, without ever stopping to consider administrative problems, that it required the opportunities furnished by the vast new munition works to force such problems upon the attention of business men. I have seen a great works which has a deserved reputation for being "scientifically managed," and where an American "efficiency expert" had been highly rewarded for "installing" his "system," where all the really important new features were of this purely administrative order. And there is this advantage about such measures : that they need never, if carried through with average common sense, arouse the antagonism of labour.

Professor Ashley, "Sidney Ball Lecture."

* * *

If for no other reason than lack of funds, the majority of our civil service commissions have generally been unable to develop other functions than examination and certification of eligibles, even though the law under which they are operating usually gives them a wide range of powers in employment matters. In foreign countries, however, noteworthy developments along these lines have recently taken place. This is particularly true of the English-speaking countries. As it is to Great Britain that we owe our first Civil Service law and procedure, it is natural that we should look to England and the dominions for guidance as to the probable evolution of our existing practices.

The purpose of this article is to point out that centralized employment management under the conditions of public administration is an accomplished fact, and that, except for England, the central agency is the civil or public service commission. On the other hand, the mother country has gone much farther in the organized development of employee representation than have the other countries. We shall thus see that Government is looking in the same direction for the solution of its "industrial relations problem" as the private employer. Like conditions are calling forth like remedies.

England, the older and more conservative country, has been slow to adopt new methods and extend the functions of its administrative agencies, but the tendency toward service-wide standardization of employment conditions is noticeably forging ahead. It is in the government of the dominions, however, that centralization of employment control under a single responsible agency has made most progress. In Canada, New Zealand, and the states of Australia the functions of the Civil Service commission have been expanded to include most duties that pertain to employment control and in many cases, what is more, also to cover functions that properly belong to a bureau of administration and efficiency.

The situation in England is in a state of flux at the present time. The one constant seems to be the Civil Service commission. Apparently, it is expected that it will continue as heretofore as the recruiting and examining agency without undergoing either curtailment or expansion of duties.

It appears likely, however, that the Treasury will exercise more and more those functions that properly belong to a central employment department.

Both the most recent Royal Commission on Civil Service appointed in 1912

The Treasure House

and a special board of commissioners, reporting to the Treasury on organization and staffing in 1919, urged that the Treasury be strengthened with a view to exercising more effective control over the organization of the Civil Service and further that a special division be created in the Treasury for that purpose.

The functions contemplated for the Treasury may be summarized under the following heads—

1. To watch over general conditions and activities of the Civil Service with a view to its effective economic employment.
2. To make suggestions to the head of the department.
3. To secure machinery for recognizing and rewarding exceptional cases of ability and merit.
4. To bring about transfers if such transfers are to the advantage of the service.
5. To carry out inquiries and investigations into any matters connected with the departmental administration or methods of work.

The commission on organization and staffing is even more specific in that it recommends the creation of an establishment division of the Treasury as well as the appointment of an establishment officer in each department whose business would be to co-operate with the Treasury division. The establishment division would supply the need of permanent staff management, being responsible for the adoption of uniform regulations covering selection, probation, promotion, placement, transfer, sick leave, superannuation, etc. It would also serve as a clearing house for records, better methods of management, the installation of labour-saving devices, and the like.

Whether because of the above recommendations or on account of other causes, the Treasury has been reorganized and a controller of establishments has been appointed and endowed with very wide powers. This appointment will inevitably extend the activities of the Treasury in its control of salaries and personnel matters.

Another force making for standardized employment conditions and a progressive policy is the National Whitley Council that has been operating since 1919. Because of its achievements, its broad programme, and its promise, a brief description of it will be appropriate at this point.

The Whitley Council consists of fifty-four members appointed in equal numbers by the Government and the associations of employees. Its constitution gives it a very broad commission enabling it to deal with questions that range from remuneration to the improvement of office machinery and organization. The council works by agreement. If agreement is reached, the decisions become operative, as the staff members will have gotten their instructions during the negotiations from the Treasury or on special matters from the Cabinet. The administration of the order is then vested in the Treasury or the department involved.

The records of the agreements reached by the Whitley Council already cover vital employment matters as, for instance, classification and methods and lines of promotion. When it is considered that the constitution of the National Whitley Council authorizes it to investigate and report "on matters affecting the Civil Service with a view to increased efficiency in the public service combined with the well-being of those employed," we may predict that as an outgrowth of Whitley procedure the Treasury will become more and more active as the centre of personnel administration. The Whitley scheme was also applied to the municipal governments on a national scale, but on account of a lack of co-operation broke down in 1921. About ninety-three municipal committees are still operating, however, and a movement is under way for the re-establishment of the national organization.

In a minority report on the question of central supervision and control of personnel policy, Sir Kenneth Muir Mackenzie, an eminent legal authority, strongly urged that the Treasury should not be given the responsibility that was recommended by the majority members of the Royal Commission on Civil Service, but rather that some independent body should be chosen. He concluded his comments by suggesting that if "the Civil Service commission were properly constituted, it would more nearly approach what is required."

The dominions which have been less hampered by tradition and a strongly

The · Journal · of · Public · Administration

entrenched central department, such as the Treasury, have adopted the policy outlined by Sir K. M. Mackenzie. That is to say, the Civil Service commission, or rather public service commission, the more usual designation, has been given a broader charter both to supervise and control all conditions affecting the Civil Service and also to investigate any and all phases of departmental management that make for efficiency and economy. The latter provision covers departmental organization, organization of work, use of labour-saving devices, and similar matters. This obviously goes well beyond what is ordinarily assigned to the division in charge of personnel. It may be explained as due to the close relation between the size and quality of the staff and the whole work policy and scheme of organization, but it is also due to the obvious need of having a clearing house for information as to the most approved methods of administration and a centre for co-ordinating the work of the various departments. At any rate, legislation in New South Wales (1902), in Canada (1918), in South Australia (1916), and Queensland (1920), and the proposed Act for regulating the public service in the Commonwealth of Australia, imposes the double function described above on the public service commissioners.

It should also be noted that a number of municipal commissions in the United States have the power to investigate the organization and efficiency of departments and to recommend changes.

If space permitted it would be well worth while to summarize the activities described in the annual reports of these commissions in order to indicate that the manifold duties prescribed in the law have been faithfully and, in some cases, most thoroughly carried out as regards both personnel and general administration.

For instance, the Queensland commission has paid much attention to recruiting junior employees from the schools and to training those already in the service for advancement. It has also gone into the matter of providing adequate housing for the employees in the outlying districts. In the last report for New South Wales, considerable space was given to the justification of periodic tests as a means of stimulating zeal for promotion and of broadening the equipment and outlook of the civil servants. The question of standard provisions for travel expenses and the necessary means of transportation is considered in three or four of the reports. Standardization of leaves, holidays, and overtime remuneration, as well as the matter of appeals, discipline, and dismissal, are given more or less space in most of the annual reports. In short "the placing of all staff matters and appointments under the jurisdiction of the public service commission," to quote the last annual report from South Australia, "is in operation in all states of Australia and New Zealand."

The foregoing brief review will indicate how truly the Civil Service commission has become the central employment agency of the governments concerned. There is, in fact, practically no function normally performed by the typical personnel department in the field of private employment which has not been performed by one or more of the Civil Service commissions under review.

Before concluding this brief outline, reference should be made to the general practice in the dominions to recognize the advantages of providing some means whereby the representatives of the rank and file of the employees may be consulted with regard to matters of interest to them. In one form or another various commissioners virtually subscribe to the statement of the Royal Commissioner of Queensland, who, in commenting on his own weekly meetings with the employees' representatives, expressed the opinion that "these meetings are tending to make the wheels of public service administration run more smoothly." The co-operation of the employees in regard to policies affecting their work and working conditions is being stimulated, therefore, by some form of representation both in England and its dominions.

It will be seen from the above review that the Government-employer is not lagging very far behind the industrial leader. Both have to meet similar human problems and both have pursued similar methods. Instead of letting vital problems solve themselves or go unsolved, both have established a central human relations department, endowed it with ample powers, and supplied it with funds adequate to its functions. In the name of a fuller understanding and increased interest

The Treasure House

in the work, both have also provided or sanctioned a considerable degree of self-expression through the medium of representatives chosen by the rank and file of the workers.

The conditions that give rise to these developments in the relations between employer and employee, whether in private industry or in the governments of the British Empire, are not materially different from conditions encountered to-day in the various jurisdictions in the United States. The typical Civil Service commission in this country now largely engrossed in selecting new employees might well follow the lead of the commissions just described and adapt to the public service the whole range of employment policies that have a recognized place in modern administration. There is probably no more difficult task confronting public administrators to-day than that of improving the efficiency of the public servants, but then, too, there is none whose solution promises so sure returns in the form of more efficient and less costly governmental service.

W. E. Mosher, in the "National Municipal Review" (U.S.A.).

* * *

But if the Danes freed the people they conquered, they brought about the enslavement of the rest. The theory of Seeböhm which traced the English manor back to the Roman villa has not stood the test of criticism and is now pretty generally discredited. As reconstructed by Maitland and Sir Paul Vinogradoff, the story of "the growth of the manor" is the story of a long process in which the Scandinavian invasions played a decisive part. The need of resisting the Northmen led to the rise of a military aristocracy—the class of thegns. The thegns, partly through the "commendation" of the weak who sought their protection, and partly through the action of the West Saxon kings who rewarded them with grants and often made over to them royal rights to receive entertainment, gradually came to lord it over their weaker neighbours. Those neighbours were impoverished: a Danish raid might have deprived them of their plough beasts, or the burden of the Danegeld might be greater than they could bear unless they borrowed the means of paying it from some local thegn and promised him labour services in return. Speaking generally, we may say that feudalism arose in answer to a cry of *saue qui peut*. The weak, in panic, sought safety by "commending" themselves to the strong; and the strong seized the reins of local government as they slipped from the hands of the harassed and distant monarchy. It was a case of *juge qui peut* and *gouverne qui peut* for the strong as well as of *saue qui peut* for the weak.

Dr. Bugge maintains that the Vikings "were warriors and merchants at the same time and often more the latter than the former." However this may be, it is certain that the Northmen gave an impetus to commerce. After all, the pirate, once you have converted him from the error of his ways, is likely to make an enterprising merchant.

In two distinct ways the Northmen fostered the growth of towns. They forced their foes to build *burhs* and live behind walls for the sake of protection. And, unlike the Angles and Saxons of the fifth and sixth centuries, they themselves took to town life from the earliest days of their settlements, and soon made the towns where they settled important centres of commerce. The tendency shows itself at Dublin, at Rouen, and at Novgorod, as well as at Grimsby, Derby, and Swansea. Towards the end of the tenth century an English writer spoke of York as "filled with the riches of merchants who come from everywhere especially from the Danish nation." Possibly we may see the influence of Scandinavians upon the expansion of London in some of the churches built outside the old walls of the city—St. Clement Danes, outside Temple Bar; St. Olave Without Bishopsgate; and St. Olave's, Tooley Street, in Southwark, a suburb which was fortified by Sweyn: and is mentioned as an important place of trade in an Icelandic saga. The work of the Northmen as moneyers is highly significant. Though Halfdene appears only to have been in London for about a year—in 871–872—he struck some coins there; and in Northumbria the Danes substituted a silver coinage for the miserable copper *stycas* of the later Anglian kings.

Reginald Lennard in "Quarterly Review."

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Notes

Notes

THIS issue is the Summer School issue. It contains all the papers and as much of the following discussions as reasonably can be included. In order to give the fullest possible account other ordinary features have been sacrificed. The Summer School was most successful, and has established itself as an annual feature. The discussions were on a high level. There was a welcome interchange of thought, both in the discussions themselves and in the social intercourse which took place in the pleasant intervals. It was such a gathering as could only be held under these auspices and it was remarkable for the fact that it brought the two aspects, civil and municipal, so closely together. It has established the Institute on a secure footing, and Mr. A. C. Stewart, who was primarily responsible for the arrangements, deserves the thanks of members and associates for the width of vision which he showed in his task, and he is to be congratulated on the issue.

The inaugural meeting to establish the Liverpool Regional Group coincided with the meeting of the British Association at Liverpool. It was a notable gathering and it secures the establishment of a vigorous group under auspices which were especially favourable. The Liverpool Town Hall was an admirable place for the historic gathering, and prominent members of the services were present. Mr. Clarke, and those associated with him, gave ample evidence of skill and knowledge in the arrangements, and we shall be surprised if the Liverpool Regional Group does not become one of the most virile of the divisions of the Institute.

We start on our winter's work with renewed hope. Good programmes have been arranged both in London and at the various regional centres. There has been a steady access of members and there are indications of the establishment of further regional groups. More than that, there are indications of individual study and research which will result in valuable contributions to the advance of the science. In fact, from various indications it is fairly clear that public administration is to be revealed as a more inclusive art and science than any of us dreamed at the outset of the venture. But members and associates have to be reminded that the future of the Institute depends not merely upon efficient organization but upon the zeal and the appreciation of each of them. In the true sense of the word the Institute must be a corporate body, responsive to the eagerness of all. It is herein that the danger lies. Civil and municipal servants have their especial temptations to allow a chosen few not merely to represent them but to undertake responsibilities on their behalf. More is at stake in the full and ample success of the Institute than appears at first blush.

The Summer School

An Impression

“WHAT is the good of conferences?” “Do they serve any useful purpose at all?” are questions one frequently hears from delegates before, during, and most of all, after conferences of all descriptions, and though they ask these questions almost automatically, I think the delegates themselves if asked the same questions by an outsider would reply unanimously that the value of conferences may be measured not so much by the papers read, nor even by the discussions following the papers, but by the fact that they bring together people from all parts who, although their work and interests are similar, if not identical, might go on in their own localities from year to year without any chance of coming into contact with each other if there were not these pre-arranged meetings.

If this is true of most conferences, it is especially true of a conference such as that held at Trinity College, Cambridge, by the Institute of Public Administration. The outstanding feature was the fact that it brought together for the first time officials, both local and national, who under the common title “public servants” discussed their various administrative problems not as separate units but as part of one great whole which it was their aim to improve by joint endeavour and by a clearer understanding than heretofore of each other's positions and difficulties.

The conference, which was held from Friday, 27th July, to Tuesday, 31st July, was attended by about seventy local and civil service officials. Seven papers were read on such subjects as Local Rating, Education, Town Planning, etc., and it was noticeable in all the discussions (with the possible exception of that on the last paper “Recruitment and Training of Public Servants”) that local rather than national administration seemed to predominate. But I need not say much of the papers and discussions, which are fully reported in another part of this JOURNAL.

By the courtesy of the authorities members were lodged at Emmanuel, Magdalen, and Trinity, and everything possible was done for their comfort, arrangements also being made for those who wished to visit other colleges and public buildings between sessions. On Friday, Colonel Tebbutt took a small party to Ely Cathedral; on Saturday, when Lord Haldane was present, a delightful garden party was held at Magdalen College, and after tea there was an extremely interesting visit to the Pepys Library. That same evening the Master of Magdalen, A. C. Benson, known to most of us by his delightful books, *From a College*

The Summer School

Window, Beside Still Waters, etc., entertained all those staying in his college to dinner. On Sunday a large party conveyed themselves in punts (by various methods) to Grantchester, where a few of us visited the church and Rupert Brooke's grave, returning in the evening to Trinity where Mr. Dennis Jones had invited us to hear Dr. Naylor give a talk on Wagner, illustrated by music. "Music illustrated by talk" would perhaps have been a fairer description of the wonderful hour we spent listening to Dr. Naylor on his pet theme "Parsifal," and feeling ourselves carried away by his and our own enthusiasm. On Monday evening Mr. Austen Chamberlain and Sir Stanley Leathes, both old Trinity men, arrived, and after dining in Hall, spent the evening with us in the Old Combination Room, which had been reserved for our use.

On Tuesday morning all the members remaining (some of the early comers having unfortunately been obliged to leave) were photographed with Mr. Chamberlain and Sir Stanley Leathes in Neville's Court, Trinity. Directly after breakfast the final session was held, and at one o'clock an attenuated party of only seven sat down to lunch in Trinity, to exchange congratulations over the success of the conference and the kindness and consideration received from those who had done so much at Cambridge for our comfort, and to discuss plans for a larger and even more successful conference next year. And these last few words are the strongest and most definite answer to the question "What is the use of conferences?"



Summer Conference

Welcome by the Vice-Chancellor

THE Vice-Chancellor of Cambridge University, Dr. E. C. Pearce, D.D., in extending a welcome to the conference, said—

The Institute of Public Administration is one of those bodies which one wonders why it did not come into existence before. The more we can educate public officials the better for us who are not public officials. The great thing that the permanent officials need to learn is the true meaning of the word "economy," and the subject of economics I hope will be studied with great care, because it is a truism to say that economy is not in saving money but in spending money in a proper manner, and we are very much concerned in Cambridge about economy in educational matters.

I understand that you are very anxious, and rightly anxious, that the universities should interest themselves in this question of training of the permanent official, and I can quite understand that it is possible for universities in large centres of population to do this with ease, because you will agree with me that all special training of this kind must be post graduate. But I would like to say this plainly to you, that if you can produce to us any general scheme which is likely to help you and the country, the University of Cambridge will be quite ready to consider it, but there are difficulties that I foresee.

In reply, Mr. A. C. Stewart said—

I would like to say how grateful we are for the kind words of the Vice-Chancellor in welcoming us on behalf of the university. I do not know that we shall ever reach the stage of putting up concrete schemes before the university, but I hope that in joint consultation such schemes may grow. I believe that we have something to give to the universities, just as the universities have much to give us.



Contributions from the Central Authority

Contributions from the Central Authority

Towards the Cost of Local Administrative Services

By F. OGDEN WHITELEY, O.B.E., F.S.A.A.
(*Treasurer of the City of Bradford*)

[*Being a paper discussed at the Summer Conference of the Institute of Public Administration at Cambridge, 27th July, 1923.*]

(1) THE phase of the relationship between the local authorities and the Imperial Government which it is my privilege to submit to you has been the subject of perhaps a score of Royal Commissions and Departmental Committees during the last century, and the fact that, even to-day, it is agreed on all sides that the position is the reverse of satisfactory is a proof of the difficulties of the matter.

(2) I am afraid that perhaps one of the principal reasons for the apparent inability to find a practical and comprehensive solution of the problem is that there is a disinclination to approach the subject from what I consider is the proper aspect, and that is, to first of all ascertain what is the real relationship between the Imperial Government and the local authority. I feel that the solution is prejudiced from the fact that the words "contributions," "grants," and "subventions" are much too freely used, and that these words do not properly express that adjustment which is necessary between the funds raised by the Government by means of imperial taxes, and the moneys collected by local authorities by rates.

(3) The terms of reference to the Royal Commission on Local Taxation, which was appointed in 1896, were—

To inquire into the present system under which taxation is raised for local purposes, and to report whether all kinds of real and personal property contribute equitably to such taxation, and, if not, what alterations in the law are desirable in order to secure that result.

(4) That I think is the aspect from which the subject should be approached, and I take it to mean "to what extent the Government, having regard to the incidence respectively of imperial taxation and local rating, should raise moneys in respect of services which are administered by local authorities, in order to secure that the revenues are raised equitably."

(5) In other words, not what financial relief or assistance shall be afforded by one body (the State) to another separate and distinct body (the local authority), but what means shall be adopted in order that the community shall contribute equitably towards the cost of national or/and local services.

(6) The necessity for such adjustment between the Government and the local authorities arises from the fact that the Government have from time to time imposed upon local authorities, in addition to the services which confer upon the ratepayers a direct and peculiar benefit, the duty of administering certain services which are admittedly national in character, i.e. they are provided not merely for the benefit of the particular locality, but in the interests of the country as a whole. The services provided by local authorities may be divided into two main headings, namely, "national or onerous" and "local and beneficial," and in the Report of the Royal Commission it is stated—

... A service may be called properly local when a preponderant share of the benefit can be directly traced to persons interested in the locality. On the other hand, universality and uniformity of administration is generally a mark of a National Service, because such administration does not confer special benefit on special places. Again, the presumption is that a service is national when the State insists on its being carried out, and on a certain standard of efficiency being reached.

(7) Dealing with this phase of the subject, the Departmental Committee on Local Taxation in their Final Report, issued in 1914, stated—

While agreeing with the classification of local services adopted by the Royal Commission we believe that the terms "national or onerous" and "local or beneficial" have given rise to considerable confusion of thought in regard to the proper amount of assistance to be given by the State to local authorities. There has been a tendency to overlook the qualifications with which these terms were used by the Commission and to assume that every service which possesses some national characteristics and is onerous to some classes of the community ought theoretically to be paid for entirely out of national funds.

We think that it may conduce to the removal of misunderstanding if in considering the classification of public services we take account not only of those locally administered but also of those administered by the State. It will then be seen that the class of locally administered services of a national character is really an intermediate one between—

(1) Services which are carried out and controlled almost entirely by local authorities in the interests of their respective localities, and are not to any marked extent for the benefit of the nation as a whole; and

(2) Services which are carried out entirely by the State in the interests of the nation as a whole, and are not directly for the benefit of particular localities.

The characteristic of this intermediate class of "semi-national" services as they may be called, is that while they are administered by local authorities, the State has, at the same time, so marked an interest in their efficiency as to justify a claim to the supervision of their administration.

Contributions from the Central Authority

(8) Applying the definition set out in their Report, the Royal Commission were of the opinion that the following services administered locally were national in character, namely—

Poor relief.
Police.
Criminal prosecutions.
Asylums for pauper lunatics.
Sanitary officers' salaries.
Main roads.
Education.

Since that date, however, the duty of administering many other services of a national character has been placed upon local authorities, amongst the more important of which are—

Treatment of tuberculosis.
Maternity and child welfare.
Care of the mental defectives.
Medical inspection of school children.
Provision of meals for school children.
Housing.
Etc., etc.

(9) The revenues of a local authority are raised by means of a levy of rates upon the occupiers of properties, based upon the annual value of the property occupied and, no doubt, when our present system of rating was introduced, it may fairly be claimed that the valuation of occupation was, to a material extent, an indication of the occupier's means; at any rate, a much more reliable indication than at the present time. A recognized principle in national taxation is that the taxpayer is required to contribute towards the cost of national services in proportion to his "ability to pay," and in arriving at the degree of ability, his income from both realty and personality is brought into account. It is necessary, therefore, in order that the taxpayers, as distinct from the ratepayers, shall bear their fair share of these locally administered national or semi-national services, that a proportion of the cost of such services shall be raised by the Imperial Government and transferred to the local authorities who administer such services.

(10) It is, I think, unnecessary to describe in detail the various means which have, in the past, been adopted by the Government in order to attain this end, but it might perhaps be advisable to set out generally the developments since the increasing responsibility of local authorities rendered necessary the assistance from the Government in the provision of the means for establishing and maintaining the services.

The · Journal · of · Public · Administration

(11) This may perhaps be conveniently effected by a short historical survey covering three periods, namely—

(a) The period prior to the year 1888, in which year the system of assigned revenues was introduced ;

(b) From 1888 to 1914, during which period a Royal Commission and a Departmental Committee sat and reported upon the matter, and also during which certain departures from the principle of assigned revenues were made ; and

(c) From 1914 to the present time, when important developments have taken place in the duties of a national character which have been imposed upon local authorities by Parliament.

(12) (a) PERIOD PRIOR TO 1888. In 1835, following the report of the Select Committee appointed to consider what regulations might be adopted to diminish the pressure of local burdens on owners and occupiers of land, provision was made for defraying one-half of the expenses of prosecutions at assizes and quarter sessions, and for meeting the cost of removal of convicted persons from local prisons.

(13) In the year 1846 (accompanying the reduction and ultimate abolition of the corn duties) the Government undertook to pay the whole cost of conducting criminal prosecutions, and of maintaining convicted persons, and also to pay half the cost of medical relief and provide for the salaries in poor law schools, and of union auditors.

(14) Under the provisions of the Police Act of 1856, a contribution of one-fourth of the cost of the pay and clothing of police, which had previously been permissive only, was put into operation in respect of all efficient forces in the country, and in 1875 this contribution was increased to one-half.

(15) Under the provisions of the Elementary Education Act of 1870, grants were authorized to school boards and other bodies establishing and maintaining public elementary schools, within the meaning of that Act.

(16) In 1874 provision was made for a grant of 4s. per head per week in respect of pauper lunatics, and in 1877 the administration of all prisons belonging to prison authorities was transferred to the Home Office, and the cost of maintaining prisons and prisoners was transferred to the Government.

(17) By the Public Health Act of 1875, the Government accepted responsibility for one-half of the salaries of the medical officers of health and of inspectors of nuisances, where the appointment and salaries of such officers were subject to the approval of the Local Government Board.

(18) In the year 1882 and in subsequent years, a sum of £250,000

Contributions from the Central Authority

was voted in respect of disturnpiked and main roads, and in 1887 this amount was increased to £500,000.

(19) These Parliamentary grants were voted annually up to the year ended 31st March, 1889, and it will be noted were in respect of specific services, and in practically every case bore some relation to the expenditure upon those services.

(20) (b) FROM THE YEAR 1888 TO 1914. By the passing of the Local Government Act of 1888, under which the present county councils and county borough councils were constituted, these direct grants (other than those in respect of education) were withdrawn, and the proceeds of certain revenues were assigned to local authorities, namely—

(a) The local taxation licences, comprising the licences for the sale of intoxicating liquors, refreshment housekeepers, game dealers, killing game, dogs, guns, establishment licences, etc., etc.; and

(b) Eighty per cent of one-half of the proceeds of the Probate Duty, as then levied.

(21) The moneys raised by these revenues were placed to the credit of the Local Taxation Account and were allocated between the counties and the county boroughs, the proceeds of the local taxation licences being allocated according to the areas in which such licence duties were collected, and the Probate Duty grant being divided upon the basis of the discontinued grants actually paid in the year ended 31st March, 1888.

(22) The amounts paid to such councils were to be placed by them to the credit of an account called the Exchequer Contribution Account, and they were required to pay out of such assigned revenues the grants previously paid to boards of guardians and for police and other purposes, as well as a further amount to the boards of guardians as a relief in respect of poor law expenditure, being the cost of union officers in the year 1887-88.

(23) The Act set out the priority in which such payments should be made, viz.—

1. *In paying the costs chargeable upon the Account.*

2. *In substitution of grants withdrawn.*

To boards of guardians.

For teachers in poor law schools.

„ Pauper lunatics.

„ Registrars of births and deaths.

„ Payments to public vaccinators.

„ School fees of pauper children.

To sanitary authorities.

One-half salaries of medical officers of health and inspectors of nuisances.

The · Journal · of · Public · Administration

To county and borough fund.

For pauper lunatics.

„ Compensation to clerks of peace and other officers of quarter sessions.

To county or borough fund and to other authorities maintaining separate police forces within the area.

One-half cost of pay and clothing of police.

3. *To boards of guardians.*

New grant for costs of union officers.

4. *Balance to county or borough fund.*

(24) It will be noted that no transfers are specifically authorized in substitution of the grants withdrawn in respect of main roads and cost of criminal prosecutions, it being anticipated that the balance remaining after the various payments had been made would be more than sufficient to cover these items, whilst in regard to the future it would appear to have been expected that the expansion of the proceeds of the assigned revenues would at least keep pace with the increasing expenditure.

(25) Since 1888 various Acts of Parliament have been passed which have affected the system of assigned revenues. By the Local Taxation (Customs and Excise) Act, 1890, it was provided that there should be paid into the Local Taxation Account 80 per cent of the amount raised from the additional duties of 3d. per barrel on beer, and 6d. per gallon on spirits, and out of this additional revenue £300,000 was to be applied annually to police superannuation (one-half being allocated to the police authorities outside the Metropolitan area, and the other half to the Metropolitan police), and the balance divided amongst the county and county borough councils on the same basis as the Probate Duty grants, viz., on the basis of the discontinued grants. The county and borough councils were authorized to devote the whole, or part, of such revenue for the purpose of higher education. Under the provisions, however, of the Education Acts of 1902 and 1903, it is now compulsory upon these councils to apply the whole of this revenue for the purpose of higher education, whilst it should be noted that, under the Police Act of 1890, an obligation was placed upon the police authorities to grant pensions to police officers.

(26) Under the provisions of the Finance Act of 1894, the Probate Duty was swept away and a uniform duty was imposed on personalty and realty alike, but out of the proceeds a sum was to be paid into the Local Taxation Account of an equivalent amount to that which would have been paid under the provisions of the Act of 1888.

(27) The system of assigned revenues was entirely altered by the Finance Act of 1907, which provided that the proceeds of such revenues

Contributions from the Central Authority

should, instead of being paid into the Local Taxation Account, be paid into the National Exchequer, the consolidated fund being charged with the payment to the Local Taxation Account of equivalent amounts, namely : (1) the Estate Duty grant under the Finance Act, 1894, and (2) a sum equal to the amount which would have been paid into the account in respect of the proceeds of the local taxation licences at the rates then in force. It was also provided that in the event of an increase in the rate of any duty (other than beer and spirit surtaxes) the amount payable to a local authority under the Act in respect of that duty should not be less than the average proceeds of the duty for the three years ended March, 1907.

(28) By the Finance Act of 1908, the supervision of the collection of certain of the local taxation licences duties was transferred from the Commissioners of the Inland Revenue to the county and county borough councils, and in respect of the cost of such supervision a sum of £40,000 was to be allocated annually amongst such councils, in proportion to the proceeds of the duties collected in each area during the preceding year.

(29) Under the Provisions of the Finance (1909-10) Act, 1910, the whole system of duties on motor-cars was revised and the rates of duty payable were increased. The work of supervision of collection was left in the hands of the local authorities, but the sums with which they were credited for the purpose of the Exchequer Contribution Account were limited to the amount collected in the year ended 31st March, 1909, all in excess of that amount being paid into the Imperial Exchequer and earmarked for the purpose of road improvement.

(30) Under the Revenue Act of 1911, the proceeds of all carriage licences were stereotyped at the amount received in 1908-9, and the yield of such duties above that amount is now also utilized for road improvement purposes. It will be seen that the effect of stereotyping the amount payable in respect of carriage licences at the sum actually paid to the authorities in the year 1908-9 precluded the local authorities from receiving any advantage from the natural expansion anticipated when the assigned revenues system was introduced in 1888, and which expansion it was then felt would keep pace with the increasing expenditure upon those services in respect of which transfers of imperially collected moneys were necessary.

(31) Mention should be made of the Agricultural Rates Act of 1896, which exempted occupiers of agricultural land from the payment of one-half of local rates of which they were not already exempted to the extent of at least one-half. In order to meet the deficiency in the receipts of the rating authorities, a fixed annual payment was to be made by the Government into the Local Taxation Account out of the proceeds of the estate duty of an amount equal to the estimated amount of the exemption, based upon the rates for the year 1895-6, the amount

The · Journal · of · Public · Administration

being allocated amongst the various rating authorities in that proportion. The grant, however, was a fixed one, and no adjustment has since been made on account of any increased poundage levied by the rating authorities.

(32) The grant under this Act did not, however, diminish the sums payable to counties and county boroughs from the Local Taxation Account, as did the Tithe Rentcharge (Rates) Act, 1899, under the provisions of which owners of tithe rentcharges attached to benefices were relieved from the payment of one-half of the rates assessed thereon, the deficiency of which relief was payable to the rating authorities out of the portion of the estate duty allocated to the Local Taxation Account. Thus the burden of granting this relief was placed upon the local funds, because of the reduction of the amount of Exchequer contributions available for distribution.

(33) In the year 1896 a Royal Commission was appointed to inquire into the whole system of local taxation, and the Final Report was issued in 1901. The Commission expressed the opinion that, in general, the funds for national services should be raised in accordance with the principle of ability. That principle might be secured to a great extent by wholly transferring the services to the immediate control of the Government, but such solution was out of the question on practical grounds. On the other hand, they reported that no mere adjustment of burden within each locality would meet the demands of equity, and they were driven to the conclusion that the grievances could not be remedied without either a direct contribution from the Exchequer, or the extension and development of the system of assigned revenues, which had been in existence since 1888; various recommendations were made which would have had the effect of increasing the financial assistance rendered by the State to the local authorities.

(34) As illustrating one of the disadvantages, from the point of view of the local authorities, of the assigned revenues system, it may be interesting to mention the provisions of the Police (Weekly Rest Day) Act, 1910, under which Act one day's rest in seven was granted to the police throughout the country, and which necessitated general increases of the force and, of course, increased cost. As stated previously, one-half cost of pay and clothing of police was met from the Exchequer Contribution Account, the income of which was received from the assigned revenues in the Local Taxation Account, and the effect of the Act was that the charge against the Exchequer Contribution Account was increased without any corresponding increase of assigned revenues, and indeed with the stereotyping of that income in certain directions; thus the whole cost of providing this improvement in the conditions of service of the police was borne out of the local funds.

(35) Probably the most important development in respect of the

Contributions from the Central Authority

national services administered by local authorities was the passing of the Education Act, 1902, under the provisions of which the old school boards were dissolved, and the county and county borough councils were constituted local education authorities for the purpose of higher and elementary education, and councils of non-county boroughs with a population of over 10,000, and of all urban districts with a population of over 20,000, were constituted the local education authorities for elementary education within their respective districts. By this Act the whole service of education was brought under municipal and county administration, including additional burdens in connection with the transfer to the local authorities of the control of non-provided schools and in connection with the provision of facilities for higher education.

(36) Under the provisions of the Act of 1902 the whole proceeds of the residue of the beer and spirit taxes, which it was previously optional upon the local authorities to apply towards the purpose of higher education, were to be appropriated for that purpose, and a new aid grant, calculated upon the relation in each area between the number of elementary scholars and the assessable value, was introduced.

(37) Subsequently the duty of provision of meals in necessitous cases under the Education (Provision of Meals) Act, 1906, the medical inspection and treatment of children, and many other minor duties under the Education (Administrative Provisions) Act, 1907, were imposed upon the local authorities.

(38) With the passing of the National Insurance Act, 1911, it may be said that the first serious attempt to deal with the problem of tuberculosis was made by the Government. The Act conferred sanatorium benefit upon insured persons, and such benefit was to be administered by and through the insurance committees formed under the provisions of the Act. The committees were not empowered to provide institutions; their duty was to make arrangements, to the satisfaction of the Insurance Commissioners, with suitable persons or local authorities.

(39) Under the provisions of the Finance Act, 1911, a sum of £1,500,000 was provided for the purpose of capital grants in aid of the erection of sanatoria and other institutions for the treatment of tuberculosis.

(40) In 1912 a departmental committee was appointed to consider and report upon the general policy in respect of the treatment of tuberculosis, and they recommended that comprehensive schemes should be undertaken by the county and county borough councils (or combinations of these authorities) acting in co-operation with the insurance committees, and subsequently the Government agreed to bear one-half of the net cost of the service to the county or county borough councils.

(41) Under the provisions of the Mental Deficiency Act, 1913, the duty was imposed upon local authorities of providing for the care of

The · Journal · of · Public · Administration

mental defectives, and a lump sum was provided for distribution in such proportions, and under such conditions, as the Secretary of State might (with the approval of the Treasury) recommend.

(42) In April, 1911, a departmental committee was appointed, under the chairmanship of Sir John A. Kempe, "to inquire into the changes which have taken place in the relations between Imperial and Local Taxation since the Report of the Royal Commission on Local Taxation in 1901; to examine the several proposals made in the Report of that Commission, and to make recommendations on the subject for the consideration of His Majesty's Government, with a view to the introduction of legislation at an early date."

(43) The report of this committee was issued in 1914 and they recommended that, having regard to the changes which had taken place since the introduction of the assigned revenues system in 1888, a considerable increase in the amount of State subventions to local authorities was necessary. They also recommended that the assigned revenues system should be abolished and that all State assistance to local authorities should take the form of grants from the Exchequer. That such grants should only be made in respect of "semi-national" services, i.e. services which, although administered locally, yet partook somewhat of the characteristics of services administered by the State.

(44) Increased grants were recommended for various services, to which legislative effect has since been given, namely—

Elementary education .	A single comprehensive grant.
Police	One-half of entire cost (including pensions).
Main roads	Classified road grants.
Mental deficiency	Half the cost.

(45) Other recommendations which have not been accepted included new grants in respect of pauper lunatics, union officers, public health administration, criminal prosecutions, and the transference to the Exchequer of the whole cost under the Diseases of Animals Acts.

(46) It was the intention of the Government, acting upon the recommendations of the departmental committee, to revise the system of grants and to pay direct to the spending authorities grants based upon these recommendations, and the Finance Bill of 1914 was drafted and presented to Parliament accordingly.

(47) The general effect of the proposals of the Government was to abolish the system of assigned revenues established under the Act of 1888, and to revert to the system of direct grants out of moneys voted annually by Parliament, which was in force prior to 1888, and which has always been in operation in connection with the grants for education.

(48) In consequence, however, of the outbreak of the Great War,

Contributions from the Central Authority

the Bill did not become law, but some of its provisions have been given effect to in subsequent legislation.

(49) It will be seen that at the end of the second of the periods under review the national services administered by local authorities had increased to a very large extent, and that the assistance from the Government was received by means of—

(a) Assigned revenues.

(b) Amounts in lieu of assigned revenues withdrawn, such amounts being stationary and based upon the amounts available in the year 1908-9.

(c) Direct grants, some being a prescribed proportion of the cost of the services, others being dependent upon the lump sum voted by Parliament, and others (in respect of education) being partially based upon number of scholars and assessable value of the area, recognizing in this sense the needs of the area and its ability to pay.

(50) (c) PERIOD FROM 1914 TO THE PRESENT TIME. Since 1914 many important services of a national character have been added to the responsibilities of local authorities, whilst in regard to others increased assistance has been given.

(51) There have been developments in the education system in various directions, more particularly in regard to the special services, such as medical inspection, special schools for defective, etc., children, play centres, nursery schools, etc., etc. With the adoption by the Government of the Burnham Report, a considerably increased expenditure in respect of teachers' salaries was incurred by local authorities and, by the Education Act of 1921, the system of grants was revised, and the Government assistance in aid of this service is now calculated in accordance with the provisions of regulations issued by the Board of Education since the passing of that Act.

(52) The whole of the separate grants for the purposes of elementary education were abolished and there was substituted therefor an annual consolidated grant, called the "Substantive Grant," with provision for an increase of such grant in highly-rated areas.

(53) Subject to certain exceptions, the elementary education grant is based upon the following formula, namely—

(a) Thirty-six shillings each unit of average attendance in public elementary schools.

(b) Three-fifths of the expenditure on teachers' salaries in these schools.

(c) One-half of the net expenditure on special services, namely, school medical services, provision of meals, schools for the blind, deaf and defective children, etc.

(d) One-fifth of the remaining net expenditure on elementary education,

The · Journal · of · Public · Administration

and from the total of which is deducted an amount representing the produce of a 7d. rate upon the assessable value of the area.

(54) With regard to higher education, the grant represents one-half of the recognized net expenditure.

(55) Under the Housing and Town Planning Act of 1919 the responsibility was placed upon local authorities of preparing and submitting schemes for the provision of houses where the necessity existed, and under the provisions of that Act various regulations have been issued, dealing with the assistance to be rendered by the State towards the cost of carrying out any schemes approved by the Minister of Health.

(56) The Government accepted responsibility for the whole annual deficit beyond the amount of the produce of a rate of a penny in the pound in respect of schemes approved by them, for a certain period, at the end of which it was considered that it would be practicable to charge normal rents, when the houses would be transferred to the local authorities at a valuation depending upon the normal cost of building at that time.

(57) This scheme of assistance, except for schemes already approved, has, however, now been withdrawn, and under the Housing Bill now before Parliament the proposed assistance in respect of approved schemes is £6 per house per annum for a period of twenty years. Other proposals include special provision for assistance to private builders by the local authorities, co-operation with building societies, and for the remission, for a certain period, of the rates upon new houses.

(58) Grants in respect of maternity and child welfare schemes were introduced by regulations issued under the provisions of the Notification of Births (Extension) Act, 1915, the Government agreeing to provide one-half of the cost of the whole or any part of such schemes. Subsequent regulations have been issued defining the expenditure which would qualify for grant, and in 1921 further instructions were issued restricting the grants to certain definite limits in respect of certain services in connection with these schemes.

(59) Regulations have also been issued with regard to the treatment of tuberculosis, under which the Government bear the whole cost of treatment of tuberculous ex-service men, whilst the grant of 50 per cent of the remaining net expenditure is continued.

(60) The responsibility of providing means for the prevention and treatment of venereal diseases was placed upon local authorities by the Public Health (Venereal Diseases) Regulations, 1916, under which a grant of 75 per cent of the approved net expenditure is payable to the authorities by the Government.

(61) As already stated, the grant instituted under the provisions of the Mental Deficiency Act of 1913 was limited to the proportion of a fixed lump sum grant voted annually; the restriction was removed by

Contributions from the Central Authority

the Mental Deficiency and Lunacy (Amendment) Act, 1919, under which a grant of 50 per cent of the approved net expenditure is payable to the local authorities concerned.

(62) Following the increased scales of pay of police officers adopted by the Government in 1918, and subsequently, the Government have altered the basis of grant in respect of this service. It will be remembered that under the provisions of the Act of 1888, instead of the direct grant, received previously, of one-half of the cost of pay and clothing of police, transfer was to be made of an amount representing that proportion of the cost of the pay and clothing to the Police Account from the Exchequer Contribution Account. That contribution is continued, but, in addition, the amount is supplemented by the Government by such a sum as will make a total of one-half of the total net expenditure in respect of the police services, including pensions.

(63) Government grants in respect of roads were instituted under the provisions of the Development and Roads Improvement Act, 1909, as amended by the Roads Act, 1920, under which the Minister of Transport has power, subject to the approval of the Treasury, to make advances in respect of the construction of new roads, or the maintenance of existing roads, and may also make contributions to highway authorities towards the cost of maintenance of such new roads. Under the Ministry of Transport Act of 1919, the Minister of Transport may make advances either by way of grant or loan to any local authority in respect of construction, improvement, or maintenance of railways, roads, bridges, etc., and may defray half the salary of the engineer and surveyor of a local authority responsible for the maintenance of such roads, and half the establishment charges in respect of his department. In a Circular dated 22nd May, 1922, the Minister informed local authorities that the grant towards improvement or maintenance of classified roads and bridges in respect of the year ended 31st March, 1923, would be 50 per cent of the actual expenditure upon estimates approved by him in the case of Class 1 roads and bridges, and 25 per cent in respect of Class 2 roads.

(64) Under the Unemployment (Relief Works) Act, 1920, provision is made for the payment of grants to local authorities in aid of approved schemes put in hand for the purpose of providing work for unemployed persons, subject to the works being carried out in accordance with conditions laid down by the Unemployment Grants Committee.

(65) The foregoing is simply a general survey of the history of the various methods adopted by the Government to provide assistance to local authorities in respect of the administration of national services, and is in no sense a complete record. Its purpose is to give a general indication of the development of the services and of the grants, and to convey some idea of the importance of the subject.

The · Journal · of · Public · Administration

(66) The position we have now arrived at is that it is difficult to say that the assigned revenues system is still in operation, having regard to the fact that certain of the revenues are still stereotyped at the amount of the proceeds of such revenues in 1908-9; that they have, to a large extent, lost their character as "Assigned Revenues," being merely grants out of the consolidated fund, and that, further, a supplementation of the amount transferred has been made in certain directions, e.g. police. On the other hand, in respect of the greater proportion of the national services administered by local authorities, direct grants are made at varying percentages, the maximum being 75 per cent in respect of treatment of venereal diseases.

(67) It will, of course, be recognized that in regard to the services in respect of which grants from the Exchequer Contribution Account are still being paid, without additional assistance from the Government, the income now received from the Exchequer Contribution Account is entirely insufficient to meet the demands of the services, having regard to the development of such services and the enormously increased cost since the assigned revenues system was put into operation. Again, certain of the grants, e.g. in respect of the poor law services, still remain at the same figure as in 1888, although the cost of the administration under this heading has, during recent years, been out of all proportion to the expenditure prior to the war, in consequence of the burden of relieving the distress caused by the recent slump in trade.

(68) Having regard to the fact that in the Majority Report of the Royal Commission, the continuance, with modifications and supplementations, of the

ASSIGNED REVENUES SYSTEM

was recommended, whilst the Departmental Committee recommended its abolition, it may be advisable to consider some of the advantages and disadvantages of the system.

(69) The principal advantage of the system is that probably it would best meet the spirit of the relationship between the Government and the local authorities in regard to the administration of the national services (subject to the proceeds of such revenues continuing to represent an equitable proportion of the cost of the services), and would tend in the direction of the saving of time and labour—both in the offices of the local authorities and of the Government—in preparing and checking the various forms and returns which are required in connection with applications for those grants which are based upon actual expenditure.

(70) It may also be claimed that the system would tend to economy, as each authority would be able to approximate fairly accurately the amount to which it would be entitled, and consequently it would necessarily exercise great care that its expenditure upon the services was not

Contributions from the Central Authority

out of proportion to the assistance it would receive in respect of those services. It would, of course, be necessary for the State Department concerned to set a standard of efficiency, and to take such steps as it deemed to be advisable to satisfy itself that that standard was being maintained.

(71) This was the principle adopted in connection with the assigned revenues system, when, e.g. the amount representing the transfer in respect of the police service might be withheld if the police authority failed to satisfy the Home Office requirements with regard to the efficiency of the force.

(72) A further advantage is that if the assigned revenues were clearly defined the interested taxpayer would be able to ascertain the extent to which he as a taxpayer was supplementing his contributions, as a ratepayer, to the services administered locally, in the sense that he would know the ultimate destination of the calls he had to meet in the way of imperial taxation. This again would naturally lead to a greater interest in the operations of the local authorities from a financial point of view.

(73) Similarly, if the collection, or some supervision of the collection, of the revenues assigned, were placed in the hands of the local authorities, such as now obtains in regard to the licence duties, it would doubtless stimulate keenness to obtain the best results.

(74) On the other hand, there are many disadvantages attaching to the system. The principal one probably lies in the difficulty of choice of revenues, to secure that the proceeds shall continue to be adequate to meet the requirements, and in order that it may not be necessary to make frequent charges to meet the varying demands. This difficulty became very apparent in regard to the revenues assigned under the Act of 1888, as within a comparatively short period the proceeds were admittedly insufficient to meet the increased expenditure consequent upon the normal development of the services concerned.

(75) Experience has proved that the principle of the assigned revenues system is liable to be upset to meet the requirements of the National Exchequer, as, for example, when the Government converted approximately one-half of the assigned revenues into fixed grants in order to secure for the Imperial Exchequer the proceeds of increases of the yield and in the rate of such revenues.

(76) One of the reasons why the departmental committee were opposed to the system was that, with the exception of the police service, the distribution of the revenues was free from central control, and that the system gave to the Government no control over the administration of the services to which it contributed. Whilst one may agree that provision should be made for all reasonable control to be exercised by the State departments, experience has proved, that when that control is carried

The · Journal · of · Public · Administration

beyond reasonable limits it is unduly harassing to the local authorities, and has an adverse influence upon the administration of the services.

(77) A further disadvantage of the system is the difficulty of arriving at a satisfactory basis of allocation of the revenues. The larger proportion of the revenues assigned in 1888, and subsequently, were allocated to the areas in which the duties were collected, and no special provision was made for those areas in which the requirements exceeded the average. At the time the system was introduced the services were not so extensive as at present, and this difficulty was probably, therefore, not so acute, but the subsequent development of the services, particularly in respect of health and education, would require that some additional consideration should be shown to the varying local conditions and requirements.

(78) Under the Act of 1888, a large proportion of the proceeds of the assigned revenues reached the local authorities actually responsible for the services through the channel of other authorities. Thus, out of the amounts received into the Exchequer Contribution Accounts of county and county borough councils, such councils distributed to the boards of guardians within their respective areas the amounts payable in respect of poor law services. Similarly a county council is required to transfer to each non-county borough within its area, maintaining a separate police force, a sum representing one-half the cost of pay and clothing of such force. Besides necessitating unnecessary book-keeping, this system has led to difficulties in those cases where the income of the Exchequer Contribution Account has been insufficient to meet the whole of the expenditure chargeable thereon.

(79) THE DIRECT GRANTS SYSTEM. The departmental committee recommended that Government subventions to local authorities should be paid direct from the Exchequer to the administering authorities, and it should be mentioned that of the financial assistance now being received by the local authorities, the much greater proportion is in the way of direct grants representing a certain fixed proportion of the expenditure. An exception arises in regard to elementary education grants, but even in respect of these provision is made that the grants shall not exceed two-thirds, nor be less than one-half, of the net expenditure.

(80) Some advantages of this system are obvious. Each service is brought under separate consideration and due regard given to the necessities and peculiarities of each area. The central departments are able to effectively supervise and co-ordinate the services, and the local authorities are able to reasonably estimate the net financial effect upon the local rates of any new scheme, whilst there is no doubt whatever that the fact that assistance of a fixed and definite proportion of cost is available from State funds tends to secure a degree of efficiency in the various services which would not otherwise be maintained. By virtue of its control the central authority is able to give consideration to the

Contributions from the Central Authority

various phases of each service, with the object of maintaining an all-round standard of efficiency throughout the country. Thus in one area it may afford special financial facilities in the way of clearance of slum areas, whilst in another the care of the child may require special consideration. Similarly, if some latitude were given to a central department in the direction of a discretionary power to increase the grants within certain prescribed limits, heavily rated areas would be enabled to carry out necessary reforms and improvements which, under present circumstances, they are not financially able to do.

(81) An objection which is frequently raised against the percentage grant system is that it tends to extravagance on the part of the local authorities, and that the fact that a proportion of the cost is received through some channel other than the local rates, leads to a less effective control of the expenditure than if the assistance from the State were a fixed amount. One is bound to admit that one does now and again hear the argument, when certain schemes are being promoted by local authorities, that "the Government will pay half the cost," but generally the local representatives are sufficiently 'cute' to know that it is the taxpayer who pays the bill, and not the Government, and that in regard to certain services, local authorities are bound to such an extent by regulations of the central departments, that it is hardly possible to incur expenditure in any direction without their approval and sanction.

(82) The utmost advantages, however, of the percentage system and, in fact, of any other system, can only be obtained if the local authorities have confidence that the assistance to the extent agreed is assured, and that neither changing administrations nor political or financial exigencies will adversely affect the policy of the immediate future. In this connection it may not be out of place to mention the report of what is known as the Geddes Committee, which was appointed in 1921 "to make recommendations to the Chancellor of the Exchequer with a view to effecting all possible reductions in the national expenditure."

(83) Drastic reductions in the grants to local authorities were recommended, the principal services affected being education, health (tuberculosis and child welfare), and police. The committee also recommended the discontinuance of percentage grants, and the substitution therefor of grants upon a "lump sum" or "unit" basis.

(84) The recommendations of the committee have not been accepted by the Government to the full extent, but reductions have been made in various directions in the amount of grants payable to local authorities, the effect of which, in many instances, has necessitated the raising of additional amounts by the local authorities by means of the rates to make up the deficiencies in the assistance expected from, and promised by, the State.

(85) The feeling of uncertainty which such a policy engenders is bound

The • Journal • of • Public • Administration

to have an adverse effect upon the efficiency of administration, whilst the failure of the Government to raise, for the local authorities, their agreed quota of necessary funds to meet liabilities incurred by those authorities at the request, and with the sanction, of the Government, and, indeed, on behalf of the Government, will undoubtedly tend to a lack of confidence as to the future position in regard to essential developments.

(86) One cannot but admit the necessity which has existed, and still exists, for the exercise of the strictest economy both as to national and local services, and local authorities generally have been fully alive to their responsibilities in this direction; but the curtailment of the funds provided by the State has, in many instances, absorbed the relief which would otherwise have been enjoyed by the ratepayers as the result of the efforts of the local authorities themselves to reduce expenditure in order to ease the burden of the local rates.

(87) *A mere stroke of the pen does not secure economy.* It is impossible to close departments or curtail their operations without due notice, and without making due provision for those for whom the services have been inaugurated, and in this regard the question as to what constitutes true economy is a very serious one.

(88) At the present time, having regard to the condition which has been applied by the Government in respect of most of the grants that "the expenditure to be recognized in any area will be subject to such limits as are, in the opinion of the central department concerned, necessary in order that the total grants may fall within the amount voted by Parliament," the position of the local authorities in the preparations necessary for the levying of rates, is not an enviable one, because of the fact that no matter how careful a scrutiny is exercised by them in the administration of the services, they are liable to be penalized because certain other authorities may not fully recognize their responsibilities in the same directions.

(89) The Geddes Committee recommended that the percentage system should be discontinued and, in substitution, a

BLOCK GRANT SYSTEM

upon a "lump sum" or "unit" basis should be introduced. A departmental committee—under the chairmanship of Lord Meston—is now sitting "to report what system of Exchequer grants in respect of locally administered services assisted by the Exchequer can be substituted for the Percentage Grant System, and to what extent, and with what exceptions, if any, the alternative system can be applied."

(90) To the "Block Grant" System there are very serious objections so far as the local authorities are concerned, and undoubtedly the principal one is the difficulty of arriving at a basis of computation which would

Contributions from the Central Authority

be equitable throughout the country. Formulae, having as their bases population, rateable value, mileage of roads, number of scholars, number of patients, etc., etc., may appear to be theoretically sound but, in practice, they are very misleading. Local conditions vary to such an extent that the actual requirements of the areas in regard to each of the services is the only equitable criterion.

(91) The system is in operation to a certain extent in connection with the grants for elementary education, in respect of which a fixed amount per unit of average attendance is included in the grant, but the position is safeguarded by the provision of a minimum and maximum of the grant in relation to the expenditure.

(92) A "block grant" must be arrived at upon one of three methods, viz.—

(a) The present expenditure ;

(b) A calculation based on population or rateable value, or a combination of the two ; or

(c) An aggregate of the results of calculations on some "unit" or "units" applicable to each separate service.

(93) (a) UPON THE PRESENT EXPENDITURE. If the present expenditure were taken as the basis for a future "block grant," various further considerations would require to be regarded. The comparative degree of development of particular services in the respective areas would demand special attention, e.g. in one district one service may be well organized and developed, whilst in another the service may not have been put into operation, or only just inaugurated. A "block grant" which had been arrived at without regard to such conditions would obviously be to the detriment of that service in the latter locality, and consequently would tend to limit progressive development. Any calculation upon present expenditure would tend in the direction of imposing upon the ratepayers, as distinct from the taxpayers, a larger proportion of the burden of future development.

(94) (b) A CALCULATION BASED ON POPULATION OR RATEABLE VALUE, OR A COMBINATION OF THE TWO. It will, I think, be generally admitted that neither population nor rateable value is any real criterion of the requirements of an area in regard to the services concerned, either separately or collectively. The conditions in industrial areas are entirely different from those in residential and rural areas, whilst in respect of each class of area there are important variations of requirements. Density of population is a very important feature, the character of the industry of the locality has an important bearing upon the subject, whilst the situation and environment generally could not be ignored in arriving at any equitable basis. It cannot be claimed that all rural districts are healthy, whilst a suggestion that all industrial districts are unhealthy

The · Journal · of · Public · Administration

would be strenuously resented by those areas. The situation of a locality on a main road or otherwise would affect the costs in regard to road maintenance. Even with regard to such a standardized service as the police, the requirements in various localities are out of proportion to either population or rateable value.

(95) (c) AN AGGREGATE OF THE RESULTS OF CALCULATIONS ON SOME "UNIT" APPLICABLE TO EACH SEPARATE SERVICE. To arrive at a satisfactory basis in regard to any particular service is a very difficult matter, and the various considerations instanced under (b) apply equally so far as each service is concerned. In regard to no single service can it be claimed that the requirements are identical in each area, whilst the variations of costs under each heading of service in different localities are striking. To secure anything approaching an equitable distribution of the national contributions upon this basis would demand so many adjustments, to meet exceptional and changing circumstances, that the scheme would be so complicated as to become unworkable or inequitable.

(96) The question naturally arises "What is the purpose of the 'Block Grant' System?" It is the outcome of the recommendations of the Geddes Committee, which was formed for the purpose of reducing imperial taxation, and local authorities have every ground for believing that it is a movement to shift some portion of the burden of providing for these services from the central to the local authorities. The demand for a reduction of imperial taxation at the expense of the ratepayer ignores the fact that in regard to all the services concerned the local authorities are not free agents. The duties have been delegated to them by statute; they are carrying responsibilities which are admittedly those of the Government, but which, for practical reasons, the Government cannot so efficiently undertake, and consequently they are entitled to expect that, subject to efficiently and economically administering those services, the Government will fulfil its obligation to provide an equitable proportion of the necessary funds.

(97) NECESSITOUS AREAS. An important feature of State assistance arises in connection with those areas having a low valuation in ratio to the population where, notwithstanding the fact that grants are made in respect of the national services on the same bases as is applied generally, the rate poundage necessary to be levied in respect of the balance is much higher than in areas of normal valuation. In regard to these areas it is necessary that some provision should be made to meet the exceptional circumstances.

(98) The ratio of rateable value to population varies to a striking degree in different areas, e.g. in respect of county boroughs the rateable value per head of population in 1922-3 ranged from £11 10s. 4d. in Blackpool, to £3 8s. 3d. in Merthyr Tydfil, and in non-county boroughs from £9 17s. 3d. in Harrogate, to £3 12s. 8d. in Crewe. It is obvious,

Contributions from the Central Authority

therefore, that it will be necessary to levy a much higher rate in the pound in the lower rated areas to maintain a similar standard of efficiency.

(99) So far as the grants for elementary education are concerned, provision is made for additional assistance in the necessitous areas, and it is provided that where the grant (calculated on the basis set out previously) would, when added to the grant under the Agricultural Rates Act, fall short of the net expenditure by a sum exceeding the equivalent of a rate of a prescribed amount, there shall be an additional grant equal to one-half of such excess.

(100) If an efficient standard of administration of the various services is to be ensured, it is essential that similar provision should be made in respect of all the services, as the cost of any development is measured to the ratepayers by its equivalent of rate poundage, and to a heavily rated area any increase is viewed with alarm.

(101) This, however, is a matter entirely apart from the general question of State assistance, and should be dealt with, as such, by the Government. The additional assistance, therefore, should be supplementary to the normal basis, and the responsibility should not be met by penalizing other authorities.

(102) CONTROL BY THE CENTRAL DEPARTMENTS. It is, of course, necessary, in order to secure a reasonable and uniform standard of efficiency in the administration of the services throughout the country, and also to ensure that the funds provided by the Government are applied to the purposes for which they are transferred, that all reasonable facilities for control or co-operation should be afforded to the central departments concerned.

(103) The central departments issue regulations, from time to time, setting out the principles and general policy to be observed by local authorities in the administration of the services, and the procedure to be adopted in connection with the establishment and development of such services. The scope of the local authorities varies considerably in regard to the different services. So far as one service is concerned they may have, within the limits laid down in the regulations, practically a free hand, and be able to adapt their schemes to meet the requirements of their respective districts, without undue interference from the central departments. On the other hand, in respect of certain other services, at practically every stage of development it is necessary to obtain the sanction of the central department before proceeding with the schemes. Probably the conditions in regard to the housing schemes were more harassing to local authorities than has been the case in any other service, and much dissatisfaction and resentment has been caused by the requirements to obtain the approval of the department to matters of very minor importance, whilst the delay and circumlocution

The · Journal · of · Public · Administration

experienced has rendered exceedingly difficult the carrying out of the duties imposed upon local authorities. Many instances could be given of these circumstances. In one case correspondence took place over a period of many months, and several interviews were necessary before approval was finally obtained to the charging against the scheme of the cost of gas-meters in a district in which it was the general practice for the owners of houses to purchase the meters, instead of, as in many other districts, hiring them, and paying an annual rental to the gas authority.

(104) In regard to the education service, similar conditions apply to a slightly less extent, and approval must be obtained to all kinds of minor matters of appointments and salaries.

(105) The councils of larger local authorities keenly resent such practices and regard them as going quite beyond that degree of control which is necessary to secure a uniform standard of efficiency throughout the county.

(106) One hesitates to suggest a solution, but an advisory committee in each central department, comprising equal numbers of representatives of the department, of Parliament, and of local authorities, might go a good way to fostering a spirit of co-operation, or at any rate blending control with co-operation. The functions of such a committee might be to approve the regulations, decide the degree of national, as distinct from local, responsibility, prescribe the limits of discretionary powers, and deal with exceptional requirements in any special cases. They would, by means of statistics prepared on a "unit" basis, scrutinize the costs, investigate the causes of any apparently excessive expenditure in any particular district, and might be empowered to deal, in the direction of reduction of grant, or otherwise, with any authorities in respect of whom extravagance or inefficiency was proved. The exceptional requirements of necessitous areas would obviously be the subject of investigation by such a committee. Generally, it would be able to render valuable assistance to the department in the determination of the policy, and would promote, in the councils of the local authorities a feeling of security and confidence which would undoubtedly lead to greater efficiency.

(107) METHOD OF PAYMENT OF GRANTS. With the exception of the amounts which are paid by the Government to the Exchequer Contribution Accounts of the respective authorities, applications for grants are required to be made to the central departments concerned on forms provided by such departments. In certain cases the applications are made after the closing of the accounts and the grants are based upon the actual expenditure. In other cases the applications are based upon the estimated expenditure, a proportion of the grants being paid during the year, and the balance remitted after the actual expenditure has been ascertained. In regard to certain of the services the claims are

Contributions from the Central Authority

required to be verified by the district auditors of the Ministry of Health, and in respect of others the certificate of the financial officer of the local authority is accepted.

(108) It is beyond the province of a financial officer to suggest what steps should be taken by the central departments to verify the claims for State assistance, it is essential that the departments should have all reasonable facilities to satisfy themselves that the claims are correct and that the grants have been applied in respect of the services to which they are applicable. I suggest that it would be a distinct improvement of method, and would tend to a saving of time and expense, if arrangements could be made for one comprehensive claim to be submitted for each year. The claim should be made upon the estimated expenditure during the ensuing financial year, and should be in the hands of the responsible department in sufficient time to be included in the national estimates. It would then be possible to show in the Budget the aggregate amount to be raised by imperial taxation towards the cost of national services administered by local authorities, and thus two objects would be achieved, viz. : (1) the placing of the relationship of the State and the local authorities in its true position, whilst (2) full information would be afforded as to the amount to be provided by the taxpayer in respect of the cost of the national services administered locally.

CONCLUSIONS

(109) Having dealt with the various phases of this important subject, certainly not to the extent and in the detail which their importance demand, but probably as far as it is practicable in a paper of this character, it may be convenient to summarize the conclusions, viz.—

(110) ASSIGNED REVENUES SYSTEM. This would be a desirable system if it were not liable to be affected by the requirements of the National Exchequer and financial or political exigencies, but impracticable because of the difficulty of deciding upon the revenues of which the proceeds can reasonably be expected to continue to be adequate to meet the requirements.

(111) PERCENTAGE GRANT SYSTEM. Under the circumstances set out in the foregoing paragraph this would appear to be the most practicable system, provided that the proportions are equitable and remain constant. Under this system both the Government and the local authorities are able to definitely ascertain their respective responsibilities, and, subject to investigation by the central department concerned in cases where the expenditure on any service is not reasonably normal, the Government is protected against extravagance and inefficiency.

(112) BLOCK GRANT SYSTEM. The system is undesirable, having regard to the difficulties of fixing bases of calculations to meet the varying conditions in different areas, and to the necessity of constantly varying

The · Journal · of · Public · Administration

such bases in consequence of exceptional circumstances which are bound to arise from time to time.

(113) **NECESSITOUS AREAS.** A distinct phase of the subject, requiring exceptional treatment by the Government beyond the normal provisions in respect of the specific services.

(114) **CONTROL.** Co-operation rather than control is the ideal relationship between the State and the local authorities. The exercise of discretion, within reasonable limits, by the local authorities should be allowed in the application of the policy laid down by the Government. The formation of advisory committees, upon which the local authorities would be represented, might reasonably be expected to tend towards this desirable state of affairs.

(115) **PROVISION AND DISTRIBUTION OF THE FUNDS.** The distribution of the funds raised by the Government should be upon the basis of comprehensive returns submitted by the local authorities, prior to the commencement of each financial year, and the proper proportion of the aggregate requirements for national services administered locally should be included in the Budget statement as a separate item. The distribution should be made during the year in which the expenditure is incurred, subject to any necessary adjustments after the actual figures are ascertained.

(116) **GENERAL.** That this subject should not be considered from the point of view of one authority rendering financial assistance to the other; that the true position should be recognized that the services are national services administered by the local authorities for, and on behalf of, the State; and that equitable assistance in the raising of the necessary funds should be rendered by the Government to the local authorities as a right, and not as a concession to be removed or varied at will.

(117) I have intentionally excluded from this paper any references to actual expenditure in respect of the services, or to the aggregate burden upon the State and the local authorities in the maintenance and administration, feeling that the subject is one which should be dealt with not from the point of view of cost, but upon the principles to be applied in providing the funds to meet the cost.

(118) The introduction of figures might tend to prejudice one in considering the matter, according to whether one was associated with the State or with the local authorities, and an equitable solution is improbable under such circumstances. The subject is of such importance that it is the duty of all who are interested in or connected with national or local administration to spare no effort to arrive at a permanent and equitable basis, and thus remove the feeling of uncertainty which undoubtedly prevails both in the central departments and in the councils of the local authorities as to the administration and development of these services which are so essential to the well-being of the community.

Contributions from the Central Authority

DISCUSSION

OWING to the intervention of important parliamentary business, Lord Eustace Percy, M.P., Parliamentary Secretary to the Ministry of Health, was unable to take the chair. The Rev. H. Scrutton, Chaplain of King's College Chapel, Cambridge, very kindly took his place.

Mr. F. Ogden Whiteley : Of the necessity for State assistance towards the cost of administering services of a national character by local authorities there will, I think, be no difference of opinion. The present system of local rating, based upon the value of occupation, cannot be regarded as equitable. It is essential, therefore, that the Government should use the machinery of imperial taxation for the purpose of raising an equitable proportion of the cost of the national services administered by local authorities. In principle, the "Assigned Revenues" system put into operation under the Local Government Act of 1888 was, in my opinion, a step in the right direction. Unfortunately, however, the stereotyping of certain of the revenues, and the fact that the proceeds did not keep pace with the development of the services towards the cost of which the revenues were applied, does not encourage one in recommending a continuance or extension of this system. The bulk of the assistance now being rendered by the Government is in the way of direct grants, bearing some proportion to the actual expenditure of the authorities, and, subject to safeguards against extravagance, this system is, I think, the most satisfactory from many points of view. The "Block Grant" system recommended by the Geddes Committee is one which, in theory, seems to meet all requirements, but the great difficulties of arriving at equitable bases of computation would appear to be insurmountable. Neither population nor rateable value is any real criterion of the services required in any area. Density of population and the character of the industry of the locality have an important bearing upon the subject, whilst the situation and environment generally could not be ignored in arriving at an equitable basis. The situation of a locality on a main road or otherwise would affect the costs in regard to road maintenance. Even with regard to such a standardized service as the police, the requirements in various localities are out of proportion to either population or rateable value.

Mr. A. C. Stewart : It is a difficult problem to combine the maximum amount of local freedom and initiative in the spending of money and at the same time satisfy Parliament that it has complete control of national taxation and national expenditure. I can sympathize with Mr. Whiteley in his desire to have some fixed basis on which the local treasurer could make his plans for some years ahead. But the local authority is, equally with the central authority, a part of the State. If the State as a whole cannot have such conditions, can we look for them in the sphere of the local authority? By far the greater proportion of the increase in State expenditure since 1914 has been in respect of services for which the national authority is responsible. Consequently local rating has not increased in the same proportion as national taxation. Therefore the proportion of the cost of State services which is met from taxation is greater to-day, and the proportion met by rating lower, than it was in 1914. If the position in 1914 was just, then the injustice to-day lies not on the side of the local authority but on the side of the State. The only justification for the local authorities seeking a fixed proportion of their income from central taxation is that local rating is regarded as a bad system—only tolerated because it is the basis on which local authorities obtain their freedom of action—whereas the system of national taxation is more closely related to ability to pay.

Mr. Hoare (Chamberlain and Treasurer of Plymouth) : What is the position as between the State and the local authorities—are we partners or are we merely

The . Journal . of . Public . Administration

agents? The whole of the expenditure on services which local authorities are compelled by the Government to administer is not recognized by the Government; they expect us to do the work without any buildings, plant, or administrative machinery to operate it, and that is manifestly unjust to the ratepayers who have to foot that part of the bill.

The great increase in the cost of services has been mentioned. It should be noted that the average increase of the cost between the year 1914, which was the last pre-war year, and the year that has just ended, shows a great disparity as between the purely local services and those services that we undertake at the instigation of the State. The costs of purely local services increased 6 or 8 per cent, but the cost of other services went up 101 per cent.

The unitary basis for State grants would be an ideal one, but it is a very difficult one to apply. The percentage system is the fairest to every authority; but in connection with that system one would like to see abolished all these assigned revenues, because to specify certain revenues, as the Government are doing to-day in order to pay us the grant under the old 1888 Act, is exceedingly unfair. The exigencies in one year or another have necessitated taking the income and growing produce of that fund for the needs of the National Exchequer.

Mr. Darnell (City Treasurer, Newcastle-on-Tyne): There are two parties in this—the State, which holds the purse strings, and the local authority. We are agents and partners, but there are no alternative agents and partners. Now, sir, as far as paying is concerned, the State has always taken up the attitude “in honour, preferring one another.” They have asked us to make bricks without straw. We have called down upon the heads of the State all the plagues of Pharaoh in Egypt, and we are indeed likened unto the Israelites; but the control is not with us. Therefore, I put in a plea for co-operation.

Mrs. Corner: The Government does not realize yet what is a national and what is a local problem. There is a good deal borne on the local rates that should be borne by national taxation, at the same time leaving the administration to the local authority. A year or two ago the Ministry of Health issued a circular cutting down the allowance for the provision of milk and food for necessitous mothers and children. It was quite simple for the Ministry of Health to issue that circular: they had not to meet personally the people who had no meals for their children.

Colonel Tebbutt (Cambridge County Council): We must first make up our minds as to what is local and what is central service, and secondly, where we are going to get the money from. If we get money from the central government we must expect control. I believe that Government officials are doing exceedingly well in keeping us in order, otherwise, I am afraid, there would be much more extravagance than there is at present.

Mr. Waldegrave: The inevitable tendency in a central department is to develop the consideration of equity above all other considerations, equity as between one locality and another, equity as between the central funds and the local funds. It is surely leaning upon a broken reed to expect, on the whole, that stimulus and initiative will come from the centre. Those must come from the locality, and that being so I was rather surprised, I must confess, to hear Mr. Darnell and Mrs. Corner propose, as they did in effect, that the locality should become the agent of the centre.

In regard to the basis of grants in aid, it seems to me that the percentage system must be the best system for roughly reflecting the responsibility of the centre and the locality. In things that the localities really want, let the percentage be relatively small; in things where the national standard outruns the standard of the locality, let the percentage be relatively higher.

Contributions from the Central Authority

Then come to paragraph 106, which pleads for the establishment of an advisory committee—"The functions of such a committee might be to approve the regulations, decide the degree of national as distinct from local responsibility, prescribe the limits of discretionary powers, and deal with exceptional requirements in any special cases." An advisory committee doing these things is surely going beyond the functions of an advisory committee. I do not think you can have a joint committee with financial responsibility and at the same time retain the financial responsibility of the Minister of the department, and that must be retained.

Mr. Morgan (Town Clerk, Newport): The more money the Government contribute the greater the tendency is on the part of the members of committees to spend money on local services; therefore I think that the smaller the amount of money contributed by the central authority to the local authorities the better for the country.

Mr. Pettitt (Customs and Excise): If local authorities had a fixed amount allocated to them for certain services, such as Old Age Pensions and Unemployment and Health Insurance, it would probably lead to greater efficiency.

Major Lovelock (Clerk, Carshalton U.D.): I do not think there are many local authorities in the country who are influenced by the fact that they get the money from somebody else. I believe the average local government representative does what he thinks best under the circumstances. Two points I would emphasize: these are that national services should be clearly defined and that the money for them should be raised on ability to pay.

Mr. Ogden Whiteley: Mr. Stewart said he would assume that in 1914 the proportions of the amount raised by national taxation and local rating were fair. There have been royal commissions and departmental committees running for the past century because everybody felt they were not fair. He said the increased burden upon national means of raising funds had been much greater than local means. I quite agree with that, but it is not a proper criterion. The proper criterion is to consider these services we are dealing with and consider whether the burden has been properly increased under the two headings; and if you take that basis you will find that the burden upon local rates has been enormously increased.

With regard to the Agricultural Rates Act which has been referred to, where Parliament gave a grant to the extent of half certain rates they gave a grant on the 1896 figure. They are now being pressed to make further concessions to occupiers of agricultural land, and it is proposed to give us a properly adjustable grant year by year to compensate for loss arising from this new concession; but with regard to the concession of 1896, which has cost 6d., 8d., or 9d. in the £, they do not propose even now to give us any adjustment.

Both Colonel Tebbutt and the Town Clerk of Newport have spoken about control. I cannot feel sure that control, in the sense that in years gone by has been exercised, is a right and proper thing. I have tried to suggest a means by which we can get the greatest efficiency, harmony, goodwill, and good fellowship.

Mr. Waldegrave said in regard to the advisory committees I suggested that the word "advisory" should come out. I do not accept that. I have been a member of quite a number of departmental committees, and these committees have done excellent work by enabling local authority representatives to bring their aspects of the questions to the central authority representatives. I said very clearly that I did not want to get behind the question of policy; but these advisory committees might advise on policy. The settlement of policy must, however, ultimately rest with the central government.

Local Rating

By ARTHUR COLLINS

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[Being a paper discussed at the Summer Conference of the Institute of Public Administration at Cambridge, 27th July, 1923.]

I. INTRODUCTORY

(1) In an organized State of great size the functions of the instrument of government are most conveniently discharged partly by central and partly by local administration. In both branches expense is inevitable, and while the Briton may cherish and exercise freely his right to complain that the cost is excessive, he does not attach great importance to technical distinctions between taxes for central and rates for local government.

(2) The financial relationship between central government and local government has been presented by one of our greatest authorities on this subject—Mr. F. Ogden Whiteley, the City Treasurer of Bradford—in the paper next preceding this in the sequence arranged by the Council of this Institute. This fortunate circumstance enables one to offer a few notes on local rating without the necessity for introductory matter placing local rates in their proper perspective in a review of national and local taxation.

(3) It only remains to add that the relative importance of these twin elements in the cost of self-government in this country, as measured by the amount involved, may be judged in the light of the following figures—

(a) Cost of national government, 1921-22, 1,195 millions sterling.

(b) Cost of local government 1920-21 343 „ „

(4) It is true that a substantial part of the cost of local government is borne by contributions in aid from the national exchequer and therefore (b) has been reduced by assistance from (a), but the system of local rating is the means by which one of the largest amounts of revenue in this country, under any one heading, is derived.

(5) Its importance because of its volume is, however, no test of its merits as a system, and the character and incidence of local rating are elements of greater general interest than mere figures.

II. HISTORY

(6) Local rating has a long and varied history. As an object of popular disfavour it has displayed remarkable vitality in maintaining

¹ These are the last available figures.

Local Rating

itself without material alteration, either in principle or practice, since rates, as we know them, were born under an Act of Elizabeth—the Poor Relief Act, 1601.

(7) This Act provided that the relief of the poor in every parish in the country should be the care of “substantial householders” in the parish who were to be elected as “Overseers of the Poor.” Such overseers were authorized to levy in each parish the money required for the relief of the poor “by taxation . . . of every occupier of lands, houses, tithes impropriate or propriations of tithes, coal mines or saleable underwoods in the said parish.”

(8) Certain forms of personal property were also liable to be rated under this old statute but were never really operative and are, in fact, inoperative to-day under the Poor Rate Exemption Act of 1840—a good example of a “temporary” Act of eighty-three years ago which is kept alive annually to-day by the Expiring Laws Continuance Act.

(9) It will be observed that under this old Act of 1601 the person to be rated in respect of the rateable property is the occupier of the property.

(10) In all material respects these basic principles of local rating apply to-day, and although innumerable Acts have been passed in the meantime they have dealt mainly with the machinery of rating and have not varied the general principles.

(11) As these notes are stripped, as far as possible, of all matters technical or pedantic, interesting only a professional rating officer, it is not intended to review the fine points which during the last 300 years have inevitably arisen in the determination of questions of definition of rateable property and the occupation thereof carrying liability. Much more interesting and probably more acceptable to this gathering are the broader issues which have for years been before the public whenever the reform of local rating has been under discussion.

(12) It is important, however, that one branch of the machinery of rating should be mentioned at this stage, namely—the valuation of property for rating purposes.

(13) On the face of it nothing could be simpler than a levy upon an occupier of property for a contribution towards public expenditure to be met by rates. Just as human nature, however, comprises a wonderful variety, so does rateable property.

(14) In the time of Elizabeth rateable property did not include railways, tramways, electricity works, and many other forms of modern activity. Even the conditions of occupation of other forms of property common in 1601 have become more complex in the social system of to-day, and not a little of the business of Courts of Law has been derived from the desire of litigants to apply in their way the rough justice of the Act of Elizabeth to the complicated questions of occupation value of more recent years.

The · Journal · of · Public · Administration

(15) Suffice it to say, for the present purposes, that the valuation of property to fix the liability of the occupier to local rates is now, generally speaking, effected under the provisions of a series of Acts known as "The Union Assessment Acts, 1862 to 1880." Be it remembered, however, that these Acts only prescribe the machinery of rating and do not impinge upon the principles of valuation laid down originally in the Act of 1601, and subsequently elaborated by Acts such as the Parochial Assessments Act, 1836.

(16) The valuation of property upon which the occupier pays local rates is made by local officials appointed for that purpose, whose business it is to arrive at a measure called "Rateable Value."

(17) Some present there may be who would wish to have before them the technical definition of this root of the system, and if so, the best phrases are those to be found in the Valuation (Metropolis) Act, 1869, drawn specially to deal with rating conditions in London but generally adopted as a definition, namely—

The term "gross value" means the annual rent which a tenant might reasonably be expected, taking one year with another, to pay for an hereditament, if the tenant undertook to pay all usual tenant's rates and taxes, and tithe commutation rent-charge, if any, and if the landlord undertook to bear the cost of the repairs and insurance, and the other expenses, if any, necessary to maintain the hereditament in a state to command that rent.

The term "rateable value" means the gross value after deducting therefrom the probable annual average cost of the repairs, insurance, and other expenses as aforesaid.

(18) The system of valuation is rather an inexact science, dependent upon the judgment of an expert official, who is at the same time subject to the supervision of men of general business experience and of sound common sense, to be found on the various bodies or tribunals—Overseers and Assessment Committees—reviewing his work. Thus the rating official in assessing the rateable value has to satisfy the members of the Assessment Committee appointed under the statutes by local governing bodies in the district. He fixes a value, to be approved by them, subject to the right of the ratepayer to appeal to the Assessment Committee in the first instance for a revision, and to a Court of Quarter Sessions for a correcting Order, both upon fact and law. Appeals on points of law may be taken from a judgment of Quarter Sessions to higher courts, in accordance with the general law of the land.

(19) The rateable value upon which an occupier must pay rates is mostly a simple calculation but may be very complex. The figure is simple where the occupier pays the rent for the premises; the rateable value may be complex where no rent passes but where the leasehold or freehold possession of the property is vested in the tenant.

(20) The annual rent which the tenant might reasonably be expected to pay for the property he occupies and the cost to the landlord of keeping

Local Rating

the property fit for occupation on those terms are factors not easily determined in the case, say, of a gas works, a large factory, a tramway, a block of flats, a public institution, a water undertaking, an engineering shop, and other similar forms of occupation, rarely rented but mostly in the possession of those who are both owners and occupiers.

(21) In these circumstances there has been evolved a long series of examples derived from—

- (a) prevailing and accepted practice ;
- (b) Case Law ; and
- (c) agreements or compromises between representatives of various interests with the Assessing Authorities.

A good example of the latter group is the existing compromised valuation of railways upon lines agreed between the railway companies and the Association representing Union Assessment Committees.

(22) Eliminating any further reference to complicated questions of hypothetical tenancies or intricacies of assessment, it may briefly be said that valuations or assessments upon all occupiers liable to be rated are finally settled and incorporated in a Valuation List representing the rateable value of the area or unit upon which a levy is collectively to be borne. Each occupier thereupon pays his share of the levy in the proportion which his assessment bears to the total assessment of the area rated.

III. THE NEED OF SEPARATE RATES OR LEVIES

(23) The present system of English local government finance has just "grewed up," like Topsy. For many generations past it has been beyond dispute that there are too many rates, too many assessments, too many officials, and too many complications in everything appertaining to local rating.

(24) Numerous bodies specially set up from time to time to investigate and report on this matter have reported within the last fifty years that reform of local rating was urgent. It is remarkable how so pressing a problem has managed nevertheless to shelve itself or to be shelved for so long.

(25) At least one branch of this subject must be mentioned in this connection, namely, the number of local rates. It is not possible within the limits of a brief address to bring under notice all the forms of local rates prevalent in England and Wales. If any endeavour were at the same time to be made to review the separate local rates which exist in Scotland, the rest of the days set apart for the conference might be taken up. They appear to levy a separate rate there on very little provocation.

(26) In the Appendix will be found a summarized tabulation of the various rates levied in England and Wales, and perhaps a casual glance at the list or at many demand notes may be enough to convince anyone that there are too many of such rates.

The · Journal · of · Public · Administration

IV. GENERAL CONSIDERATIONS

(27) It will be observed that as the basis of the liability of the ratepayer is the annual value of the property he occupies, the amount he pays does not necessarily have any relationship to the benefit he derives, directly or indirectly. Certainly there is no direct relationship, and the amount of indirect benefit cannot even approximately be measured.

(28) This important feature of the local rating of this country is worth special consideration.

(29) Firstly, one may take as an example the amount of rates paid by the tenant of a large house let to him at a rental of several hundred pounds a year, compared with the tenant of a small cottage built to meet the needs of the British working man of the labouring class.

(30) In the former case the tenant does not usually send his children to an elementary school wherein the local education authority provide free education. In the event of contagious disease occurring in his household he rarely sends the stricken person to the infectious diseases hospital or other similar public institution, except perhaps where a compulsory removal to an isolation centre is essential in the interests of public health. Treatment for the minor forms of infectious disease is provided at home and not at the public expense.

(31) On the other hand the working man's dwelling is usually the origin of considerable expense to the local community in the provision of elementary education for his children and for institutional treatment of scarlet fever, tuberculosis, and the like. The community also provides, principally for his direct benefit, health visitors, nurses, dental clinics, and welfare advisers, calculated to improve the lot of the workman, his wife, and children in a way which the man's personal earnings would not permit.

(32) The contribution of a rate of, say, ten shillings in the pound on the rateable value of the large house is obviously much more in amount than the sum paid at the same rate in the pound by the tenant of the working man's dwelling, usually assessed at from ten to twenty pounds per annum.

(33) On the large house the contribution to the common purse is large and the outgoings are relatively small, whereas on the small house the contribution is low and the outgoings heavy from the public purse. All benefit, however, from the safeguards against disease.

(34) All the old statutes lead one to the belief that the shares in which various classes of ratepayers contribute towards the common fund of expenditure out of which the cost of local government is borne have been based roughly on ability to pay, this factor being indicated in a general way by the annual value of the house occupied by the ratepayer.

(35) The complex conditions of modern life may create a doubt whether the annual value of occupied premises is a sufficiently accurate

Local Rating

measure of ability to pay even in the case of the ordinary householder, but on the other hand it is problematical whether any other formula could be devised which would mete out even a rough measure of justice in an endeavour to determine ability to pay.

(36) If, however, the many cases of hypothetical tenancy are borne in mind, it will be evident that properties assessed on an artificial annual value, such as works and large undertakings, not to mention shops and offices, can scarcely be regarded as contributors according to their ability to pay.

(37) Instances may be quoted in support of the view either that the annual value basis is unduly heavy—e.g. on shops and works, etc.; or too low—e.g. on offices or chambers occupied by successful professional men.

(38) It may be claimed that in the latter category a corrective influence is exercised by the levy of income tax payable to the State, out of which the successful and prosperous business man defrays by his tax payment a substantial part, amounting to about one-third, of the gross cost of local government, translating in this way contributions from imperial taxes to the aid of local rates.

(39) There are to be found many who maintain that in spite of this arrangement local rates fall too heavily upon trade and industry where the benefits are indirect, and too lightly upon householders and professional men whose benefits are more direct from the local expenditure.

(40) In several quarters there have been heard proposals for local income tax and for other means designed to distribute the cost of local government differently, to bring about a more fair and equitable incidence, but it is not easy to see how income can be localized for taxation. Reference will briefly be made to some of these matters at the end of these notes.

(41) Meantime it is important to remember, when considering the incidence of local rates, that arrangements are in force, authorized by law, for compounding the rates on small tenanted properties, so that the rates thereon are paid not directly by the tenant but directly by the landlord through the medium of a rental inclusive of rates and taxes paid by the tenant to the landlord.

(42) Those outside the municipal service would be wearied by any recital of the various enactments by which compounding for rates is permitted, but there are different classes of rates to which different compounding allowances apply, some compulsory, and others discretionary at the will of the local council or rating authority, according to local conditions. Students of local government will know that in some towns property only of rateable value of £8 or less may be compounded for rates, and in other towns properties of a rateable value of £20 may be included in the compounding system.

The · Journal · of · Public · Administration

(43) Many experienced in local government administration have dwelt upon this feature of local government finance as a weak spot, pointing out that those ratepayers who do not pay rates directly but pay their rates in an inclusive rental have not a sufficiently direct interest in economy to exercise any restraining influence upon extravagance in local government costs.

(44) In practice, however, this sound theory has not been applied successfully. Where compounding for rates has been abolished, it has, with comparatively few exceptions, led to grave difficulties in the collection of the rates, and it has well been said that it is not possible by abolishing compounding for rates so to alter human nature as to compel the thriftless person to save sufficient to pay his rates directly quarterly or half-yearly. If, however, a weekly collection of rates be undertaken directly by the local government officers the cost is very considerable, and in many cases is out of proportion to the gain in cash by the saving in compounding allowances. It is also difficult, if not impossible, to assess the value of the intangible benefit resulting from the creation of greater interest taken by the ratepayers in economy in local government.

(45) It is a regrettable feature of local administration that the percentage of local electors exercising their right to vote at municipal and local government elections is so low, and while figures differ in various localities there is not sufficient evidence to prove that a greater percentage of voters go to the poll where everybody pays rates directly than where comparatively few pay rates directly and the majority pay rates only in the form of an inclusive rental to the landlord.

(46) It may be interesting to those not in municipal service to know that compounding results in the local authority receiving, through the landlord, only about 15s. for every pound levied, as compared with the occupier who pays rates in full directly to the rating officer. The cost of compounding is thus about 25 per cent of the rates. This practice makes more marked the difference between rates paid and benefits derived by the small house occupier on the one hand, compared with the occupier of a large house.

(47) It is the rule for all properties other than small house properties to pay full rates, but there are exceptions. Here also it is impossible to do more than illustrate, since a complete recital of all cases of differential responsibility for rates would have no interest save to the expert.

(48) Agricultural land until this year paid one-half the rate called the poor rate, which covered the expense of boards of guardians on poor relief, the expenses of the town council for education and for civic purposes, and, generally speaking, all rates other than sanitary rates in urban and rural districts. Rates for sanitary purposes, of which the rate known as the general district rate is the principal example in urban districts, are only payable as to one-fourth thereof by agricultural land, and by

Local Rating

the Bill at present before Parliament agricultural land will be liable to pay only one-fourth of all rates in future, including poor rates.

(49) Railways, canals, market gardens, woodlands, and other minor examples in this class pay the rate known as the poor rate in full, but the sanitary rates, such as the general rate, only as to one-fourth.

(50) It is recognized to-day as a somewhat arbitrary arrangement that these differential degrees of responsibility should exist, but, as might be expected, those who contend that all concessions of this character should be abolished on the ground that there is no real justification for railways, for example, paying one-fourth of certain rates while tramways pay all rates in full, are counterbalanced by those who urge that the system of differentiation should be extended and that rates should not fall in full upon premises occupied for trade or industry benefiting only indirectly from the public services and not infrequently providing for themselves services commonly borne by the community. Examples of immense undertakings devoted to the soap trade or the manufacture of chocolate will occur to the mind, where it could be said that the rates paid in full are out of all proportion to the expenditure involved in the public services from which these colonies derive benefits directly or indirectly.

V. REFORMS

(51) Local rating has always been a contentious subject, and some indications of the troublesome problems involved have been given in preceding paragraphs.

(52) Unenviable, indeed, is the lot of the Minister to whom may fall the duty of reforming the rating system of this country. Such reform may either be complete in the sense that it may comprise a thorough overhaul and reformation of the principles upon which the British rating system is founded, or it may rise only to the lower plane of reforming the machinery by which the rates are made, assessed, levied, and collected.

(53) Public opinion seems hopelessly divided upon complete reform, and this is not surprising for two reasons at least : firstly, that even the great political parties of the State find divergent views in their own ranks, so that the matter cannot easily be settled on political lines, and secondly, local governing bodies have not yet been brought even in any one group, such as municipal corporations or county councils, to agree upon questions of principle. Town and country interests are not easily reconciled.

(54) Amongst such questions of principle, indicative only of the wide range which the subject covers, the following may be comprised—

(a) Should personal property be liable for contribution in any form ?

(b) Should the means of the ratepayer, tested in any alternative

The · Journal · of · Public · Administration

way, as for example, by his net annual income, be adopted as a proper test of liability ?

(c) Should there be a separate assessment upon land, especially upon sites of existing or potential building development, as distinct from an assessment upon the bricks and mortar in the building ?

(d) Should the incidence of the rates be altered so as to fall partly upon the landlord directly and partly upon the tenant, as in Scotland ?

(e) Should void property be liable for rates, and if so, for what proportion thereof in lieu of immunity under present conditions ?

(f) Should all rates be paid directly by the tenant and the compounding system be abolished ?

(g) Should all ratepayers pay rates in full without any differential rating or concession ?

(h) Should machinery be liable for assessment to rates, or only the buildings in which the machinery is housed ?

(i) Should there be any new sources of revenue tapped in relief of rates, and, if so, what sources and to what extent ?

(55) These problems, it is fair to observe, represent chiefly the domestic differences of various classes of ratepayers *inter se*, and fall into a compartment to be distinguished from the relationship between the taxpayer on the one hand and the ratepayer on the other.

(56) Most ratepayers agree upon one point, namely, that as ratepayers they are entitled to greater relief from the State out of dues collected from the taxpayer, but this aspect of the case may be a matter of abstract interest only to those who realize that the pocket from which taxes are paid and the other pocket from which rates are abstracted are mostly to be found in the same garment tenanted by the same occupant.

(57) In the meantime a practical Minister may find quite sufficient to occupy his attention for some time in the reform of the rating machine itself. The abolition of the numerous separate rates with varying incidence, drastic reduction of the number of separate rating and rate-collecting authorities, and the adoption of a wider area and broader geographical base upon which local burdens are to be borne, take prominent place in such a scheme.

(58) There is no reason why reforms similar to those which took place in London so long ago as 1869 in matters of valuation, and 1899 in consolidation of rates, should not be applied to the provinces—indeed, many of the most progressive local authorities in the country have seized the occasion offered by the promotion of a local Act to effect some of these improvements for themselves in their own districts.

(59) It is not easy to defend either the principle or the extra cost of valuing or assessing properties for local rates while there is, side by side, a government machine operating to assess precisely the same properties for income tax on occupation. So far as can be judged from official

Local Rating

statements made in Parliament the present Government is taking steps with these objects in view, and it may be added that although these reforms are limited to the valuing and rating machine, general agreement amongst those responsible for the local government of the country may not easily be reached.

(60) Representatives of the various organizations in charge of the interests of local authority groups are applying their minds to this series of problems at the present time in the hope that they may assist and co-operate with the Minister of Health, to whom the general control of the local rating of England and Wales is entrusted in a scheme of reform.

(61) The rating system is consequently at present in a state of flux. It has a long and dignified past, an interesting present life, and an uncertain future. It is, however, to the future that attention is mostly to be directed. Destructive criticism of the existing system is easy; constructive proposals for reform are rare.

(62) To those with a mind for existing details and technical provisions it may be helpful to refer to the appendices containing, as already mentioned—

(a) A summary of the various local rates, and

(b) A bibliography of various works of reference.

(63) The student to whom such things may appeal may thereby be enabled to cover the wide field which can only be scanned in these notes, for so complex a subject is not easily compressed into reasonable compass.

The · Journal · of · Public · Administration

Appendix A

TABLE SHOWING VARIOUS KINDS OF RATES LEVIED FOR LOCAL GOVERNMENT IN ENGLAND AND WALES

Ref.	Name or description of Rate.	Expenses recovered by such Rate.	Levied by.	Remarks.
1.	2.	3.	4.	5.
1	Poor Rate.	Relief of the Poor and other expenses of Boards of Guardians and Overseers of Poor.	Overseers of Poor.	(a) May be and generally is levied by the Overseers (upon whom precepts are levied by the spending authorities), at a poundage sufficient to include other rates with same incidence as Poor Rate, e.g. Nos. 2-6 and 8 inclusive.
2	Borough Rate.	Expenses of Municipal Corporations.	Town Council.	(b) See note (a) above
3	Education Rate.	Expenses of Local Education Authority.	County or Borough or Urban District council.	(c) Any of these Councils may be the Education Authority according to population of the area. Also see note (a) above.
4	Watch Rate.	Expenses of Watch Committee (in few special cases).	Town Council.	(d) See note (a) above.
5	General County Rate.	Expenses of County Councils common to whole county.	County Councils.	(e) Do.
6	Special County Rate.	Expenses of County Council over parts only of county.	Do.	(f) Do.
7	Lighting Rate.	Expenses of local council on lighting, in part only of a parish.	Local Council.	(g) Do. Land pays one-third only on this rate.
8	General Expenses Rate.	Expenses of Rural District Councils common to whole district.	Rural District Council.	(h) See note (a) above.
9	Special Expenses Rate.	Expenses of R.D.C. over parts only of district.	Do.	(i) Levied as a separate rate in most cases with incidence of a General District Rate.
10	General District Rate.	Expenses of Municipal Corporations (as Sanitary Authorities), or Urban District Councils.	Local Council.	(j) This rate has a different incidence from the Poor Rate.
11	Burial Rate.	Expenses of Burial Authority in certain special circumstances.	Burial Authority.	(k) Has a varying incidence according to provisions applicable.

Local Rating

Appendix B

BRIEF LIST OF WORKS OF REFERENCE OR FOR STUDY
ON "LOCAL RATING"

Ref. No.	Subject.	Author.	Where obtainable.	Price.
1	"History of Local Rates in England."	Cannon.	P. S. King & Son.	4/-
2	"Overseers' Manual."	Warner Terry.	C. Knight & Co., Ltd., 227-39 Tooley St., S.E.1.	15/-
3	"Overseers' Handbook."	Dumsday.	Hadden Best & Co., West Harding St., E.C.2.	5/-
4	"Overseers' Handbook."	Mackenzie.	Butterworth & Co., 11 and 12 Bell Yard, W.C.4.	5/-
5	"Model Rules for Overseers and Assessment Committees throughout the Metropolis."	Cutter.	C. Knight & Co., Ltd., 227-39 Tooley St., S.E.1.	2/-
6	"Valuation of Property (Metropolis) Act, 1869." (Chap. 67.)	Official.	H.M. Stationery Office.	1/1
7	"Royal Commission on Local Taxation, Final Report, 1901." (Cd. 638.)	Official Blue Book.	Do.	1/6
8	"Principles and Methods of Taxation."	Armitage-Smith.	John Murray, 50a Albemarle St., W.1.	5/-
9	"Final Report of the Departmental Committee on Local Taxation: England and Wales, 1914." (Cd. 7315.)	Official Blue Book.	H.M. Stationery Office.	1/-
10	"Accounts of Local Authorities."	A. Carson Roberts.	Do.	21/-
11	"Local Authorities Accounts: Organisation and Audit of."	Collins.	Gee & Co., Ltd., 34 Moorgate, E.C.	17/6
12	"Annual Returns of Local Taxation."	Official.	H.M. Stationery Office (6 parts), each	2/-

DISCUSSION

THE Reverend H. Scrutton, King's College Chapel, took the chair.

Mr. Arthur Collins : There is a rating reform Bill on the stocks just now which, it is hoped, will improve the machinery of local rating, and at the same time it may do something to remove many of those anomalies which everybody recognizes local rates are guilty of. The tendency at the present time seems to be by consolidation of such levies, and reduction of the machinery, to the simplest possible form, to secure that the proceeds of the rates may be dissipated to the least possible extent on local expenses.

Local rating in its present form survives only because of the great difficulty there is in replacing it by something more acceptable and something more generally satisfactory. It has held the field for 300 years, because practically everything that has been put up in substitution for it has been criticised even more severely than the existing rating system, although the two grounds of criticism seem to me mainly, if not wholly, to cancel each other. The first view is that ability to pay is the best test, and the other is that contributions ought to bear some relation to the benefits received.

Major Lovelock (Clerk, Carshalton U.D.): I have been connected with local rating for just on forty years. In the first place I was in a rural district where things were done in a very happy fashion. A man would say: "You will be assessing that new house of mine." "Yes," was the answer. "It is worth so and so," and the answer again was "That seems all right," and after that you have your rate and there was no appeal against the assessment (loud laughter). My next experience was in a district of 200,000 population where all assessments were put up, at considerable expense, by expert valuers who had their reference books, who knew how many rooms there were, what the value was, and if you put a new room in the house or a new garage it was put up against you and valued, at considerable expense. I have now got into the south of London where we are fairly philosophical. We do not believe in wasting money, and the overseers assess the properties, honestly believing that their assessment is a fair and reasonable one, and yet I have a feeling at the back of my head all the time that there is too much rule of thumb about it, and there ought to be a more systematic way of valuing if this system is to continue. That condition of affairs is representative, I suppose, of 90 per cent of the country.

Something must be done to obtain a uniform system of assessment, an assessment that should be sufficient for all purposes. I am loath to give anything over to the Government departments, but, it seems, in no way can you get something equal from one end of the country to the other except by handing it over to some department that shall have the duty to see that it is carried out fairly and equally in all respects and giving rights to the local authorities.

Mr. Pullinger (Rate Collector, Poplar): In the course of thirty years I have heard a great deal of talk about rating reform, but the only real reform that I can remember came in under the London Government Act, when they introduced consolidated collection in London. The reform that is most frequently urged now deals with the compounding of rates, which appears to have no friends. The factory owners and direct ratepayers do not like compounding because they think it increases the amount they have to pay. The Labour Party object to rate compounding because they think they are putting something into the pockets of the landlord. In some cases it has actually been abolished, with the result that where it has been abolished thousands of ratepayers have not paid their rates. Some of them attempted to pay by weekly instalments, but they were not

Local Rating

summoned for it until the end of the rating, with the result that there is a tremendous amount of arrears.

With regard to principles, as distinct from machinery, I hope we shall not make ourselves slaves to the phrase about payment according to ability to pay. For rough justice you cannot get anything better for rating purposes than the present basis which has stood the test for such a long time.

Mr. Ogden Whiteley (City Treasurer, Bradford): I do not agree with the suggestion that our methods accord with even rough justice; I think the present method of raising money for local purposes is extremely unjust. Either exclusively or as a partner means of raising the monies needed for local authorities, ability to pay, tested very largely by income, should be one of the fundamental principles.

Mr. Pullinger said the compounding system has no friends. I would venture to be a friend of that system. We have tried the other, we are doing so to-day, and we have found that the only method of fairly collecting the rates directly from 50,000 houses of £10 rateable value and less is to establish a weekly collection. The occupiers of these houses are mainly working class people. They receive their wages week by week, and they have been in the habit for over forty years of paying their rates along with their rent. The rent collector has gone round Friday by Friday or Saturday by Saturday, and has received an inclusive amount. Now, when they are called upon to pay their rates in half-yearly or quarterly instalments, what happens? They begin, many of them, quite honestly by saying "There is 2s. 6d. for the rates." That goes into the cupboard. They may go on for a few weeks in that way, but suddenly May or John wants a pair of boots. From an economic standpoint it is totally unsound. You have two people going round, the rent collector and the rate collector, and the tenants are subjected to a considerable amount of trouble and inconvenience. However you may shift the incidence, the fact remains that the whole cost of that additional staff has to be paid by the citizens of Bradford.

Mr. Darnell (City Treasurer, Newcastle): The State should bear an increasing proportion—its proper proportion—of the cost of national services locally administered. That ought to leave you with a small rate that does bear some relation to user, and the more nearly you get to that rate some of the difficulties Mr. Collins has raised partly disappear.

Mr. Hoare (City Treasurer, Plymouth): It has been suggested that Government valuation officers should be turned on to local assessment work. Frankly, I think it is an admirable proposition, because we should then have one valuation for every taxation purpose in this country; but was not that proposition the death knell of the previous Rating Bill introduced by the Government?

Mr. Collins asks: "Should all ratepayers pay rates in full without any differential rating or concession?" A railway company to-day, for instance, in an urban district are only assessed on one-fourth: directly they go into a rural area, they have to pay their rate in full.

A water undertaking, which has constructed a reservoir outside the district it serves, immediately that reservoir is put into commission, is asked: "Was your capital expenditure so much, what is the rate of interest at which you can borrow money?" "Very well, your assessment is so much."

These rural districts get all the plums, and the urban districts where the money is earned have to take what is left. (At this stage Colonel Tebbutt took the chair.)

Mr. Waldegrave (Post Office): On the question of weekly collection from tenants, the Post Office, which is the handmaiden of all the services, has been brought into this by several local authorities who have come along and said: "We propose to provide for the weekly payment of rates by poor people by means of

The · Journal · of · Public · Administration

postage stamps. Can you provide facilities ? ” This, of course, means 1s. or 2s. 6d. stamps to stick on a card. They have said “ If that is done, can we get the money for it,” and the Post Office have replied, “ Yes, certainly, with a deduction of 5 per cent for the expenses of the Post Office,” and several local authorities have adopted that system.

Again, one or two of the larger towns have come to us and said : “ We propose to sell stamps of our own, 2s. 6d. stamps, for the purpose of paying rates weekly— ‘ May we sell them, and announce in the town that these stamps are on sale at all post offices,’ ” and the Post Office said yes, so long as it is made clear that the sub-postmaster is selling them on his shopkeeping side of the counter, and it has nothing to do with his work as a sub-postmaster. Two or three towns are doing this.

Mr. Greenhill : All taxation should be on the basis of ability to pay, and with regard to the bachelor and married man with expenses it is for the authority to make a proper abatement and allowance, to get one uniform assessment.

Mr. Wadsley (City Clerk, Hull) : I should like to refer to the suggestion that valuation should be put into the hands of the Government district valuers. The district valuations in 1909-10 were hardly a success, and the Government itself has never based its income tax assessments on these values, but has come to the poor rate. It seems to me to be essential that people who carry out the work of valuation for rating purposes should have considerable local knowledge. That of course has its weak side, because you cannot get a universal basis of value. But I have been longing greatly for twenty years or more for some decent basis, but so far I have not got much nearer to it.

Mr. Morgan (Town Clerk, Newport) : Theoretically, ability to pay is undoubtedly the correct method of rating, but take the shopkeeper who is rated on a shop at £1,000 a year; he has to provide for that in his profits. If you transfer from him the rate of £1,000 a year to someone else, he will reduce his charges. The important question for us to discuss is not the basis of rating but the cheapest way and the most efficient way in which to collect the rates.

The Chairman (*Colonel Tebbutt*) : I have not been able to decide which of the two is the right way to raise money for locally administered services, the income tax way, or what we call the rating way on buildings or property. In Germany there is a local income tax, but it immediately got into difficulties because directly the local people began to take the income tax they were cutting into the taxation of the central government, and then the central government had to make laws to prevent them taking more than a certain amount.

Mr. Collins : I think we have more or less reached broad agreement that there is very considerable room for improvement in the way the rating machine works. We have, I think, satisfied ourselves, most of us, that there are far too many separate rates, that there are far too many assessing bodies and authorities, and there are far too many complications of the whole of the rating machinery, and the sooner the rating machine is reformed the better. But I still think that public opinion is so completely divided upon the reformation of rating in principle that it is quite likely that the present method of determining a man's contribution will remain for our time. The rating system of this country can only very gradually be reformed, and purged of some of the anomalies of which at present it can so easily be convicted. There is a great deal to be said for the view that all taxation should be based on income tax assessments, but it is open to the criticism that there would be too great a conflicting interest between those who pay and those who spend, and it is precisely because assessment upon the property a man occupies is a rough endeavour to hold the balance between the man who finds the money and the man upon whom it is spent that in my opinion this system so long persists.

Education Authorities

(CENTRAL AND LOCAL)

And Their Relations to Each Other

By B. S. GOTT, M.A.

(Secretary, Middlesex Education Committee)

[Being a paper discussed at the Summer Conference of the Institute of Public Administration at Cambridge, 28th July, 1923.]

IN addressing the members of such a body as the Institute of Public Administration, it is permissible to assume, on the part of the audience, the possession of much specialized knowledge that would certainly be unfamiliar to a gathering of a less specialized type.

Nevertheless, in order to render the treatment of the subject under discussion as complete as my time limits will permit, I propose, very briefly, to remind you of one or two facts concerning the nature of the two kinds of authorities whose relations we are asked to consider.

NATURE OF THE CENTRAL AUTHORITY. In 1839 a committee of the Privy Council was appointed whose duty was to attend to education. This committee was abolished by the Board of Education Act, 1899, and a Board of Education with a permanent departmental staff was appointed in its place. The Board was set up in order that it might discharge the educational functions that had previously been exercised by the Charity Commissioners and two committees of the Privy Council.

The Board consists of a President, the Lord President of the Privy Council, the five principal Secretaries of State, the First Lord of the Treasury, and the Chancellor of the Exchequer. As a matter of fact the Board, as such, never meets, and the President, when he faces Parliament, faces it with sole responsibility for the administration of his department.

THE NATURE OF THE LOCAL EDUCATION AUTHORITY. The local education authorities are not everywhere the same for elementary and higher education, nor are the arrangements the same for England and Wales and for Scotland. I confine myself, in this paper, to the condition of things in England.

For the purposes of elementary education you have four possible authorities, viz—

1. The county council.
2. The council of a county borough.

The • Journal • of • Public • Administration

3. The council of a borough with a population of over 10,000, according to the census of 1901.

4. The council of an urban district with a population of over 20,000 in 1901.

In Middlesex, for instance, the county council is the local authority for higher education for the whole county, whilst for elementary education it only acts for an area which contains about a quarter of the total population of the county; in the rest of the county, elementary education is controlled by thirteen borough and urban district councils. Such an arrangement greatly increases the difficulty of properly co-relating the work of the primary and secondary schools of the county, and I do not think that the existence of thirteen directors of education in one county makes for economy. Some of these areas are small, even for the purposes of elementary education, when one takes into account the fact that they join up directly to other areas.

For the purposes of higher education the local authorities are two—

1. The council of a county as respects their county.

2. The council of a county borough as respects their borough.

THE FUNCTION OF THE CENTRAL AUTHORITY. Having outlined the nature of the separate authorities let us next look at their functions as defined by the Act of Parliament. By the Education Act, 1921, the powers and duties of the central authority are set out fairly clearly.

"The Board of Education," says Section 1, "shall continue to be the department of government charged with the *superintendence*¹ of matters relating to education in England and Wales."

Sections 11, 12, and 13 give them the power to require local education authorities to submit schemes for the "progressive development and comprehensive organization of education in respect of their area."

When the local authorities have submitted the schemes then Section 15 says that the Board may *approve or disapprove* of the scheme and, in the latter case, if they cannot agree with the local authority as to what amendments are to be made in the scheme, they are to hold "a conference with the representatives of the authority and, if requested by the authority, hold a *public inquiry* into the matter." Moreover, "if thereafter the Board of Education disapprove a scheme, they shall notify the authority," and if agreement is not reached *they shall inform Parliament* of all the circumstances and report what action "they intend to take . . . by way of withholding or reducing any grants payable to the authority."

It will be noted that this list of duties and powers gives to the Central authority fairly definite powers of supervision. They are to superintend, to require the submission of schemes, to approve or disapprove, and, in certain cases and under certain conditions, to inflict penalties by

¹ The italics are mine.

Education Authorities

withholding grants or otherwise. There is nothing in these sections of the Act which gives them those powers of *control* that they claim to exercise, and in fact do exercise.

THE FUNCTIONS OF THE LOCAL AUTHORITY. According to the Act already quoted the powers and duties of the local education authority are as follows—

“With a view,” says Section 11, “to the establishment of a national system of public education available for all persons capable of profiting thereby, it shall be the duty of the council of every county and county borough, so far as their powers extend, to contribute thereto by providing for the progressive development and comprehensive organization of education in respect of their area, and with that object any such council from time to time may, and shall, when required by the Board of Education, *submit to the Board schemes* showing the mode in which their duties and powers under this Act . . . are to be performed and exercised, whether separately or in co-operation with other authorities.”

And when the Board of Education have approved the scheme, either as submitted or as subsequently amended, then, says Section 15, “it shall be the duty of the local education authority to give effect to the scheme.”

That is to say, while the Board is to supervise and approve, it is the local education authority that is to consider the needs of its own area, provide the means to meet those needs, and submit a scheme to the Board for this purpose. It is obvious that it is the intention of the Act to give the local authority the power to administer and control its own local educational service.

FINANCE. Now it is obvious to all connected with the administration of local government that probably very little disagreement would ever arise between the local and central authorities in matters such as those set out above if it were not for the question of finance. The acid test is—who is going to pay? And it is equally obvious that the body which retains possession of the purse strings is, in effect, the real authority, so that the extent to which the duties laid upon any local authority by Parliament are carried out depends upon the financial help or hindrance of the central authority. This is particularly the case with education, which is bound to be a relatively expensive service.

The present arrangements with regard to the finance of education are that the Government definitely undertakes to pay from the revenue raised by taxation a minimum percentage of the net cost incurred by the local education authority in each area.

According to section 118, “the total sums paid to a local education authority out of moneys provided by Parliament and the local taxation account in aid of elementary education or higher education, as the case may be, shall be not less than one half of the net expenditure of the

The · Journal · of · Public · Administration

authority recognized by the Board of Education as expenditure in aid of which parliamentary grants should be made to the authority, and, if the total sums payable out of those moneys to an authority in any year fall short of one-half of that expenditure, there shall be paid by the Board to that authority, out of moneys provided by Parliament, a deficiency grant equal to the amount of the deficiency, provided that a deficiency grant shall not be so paid as to make good to the authority deductions made from a substantive grant."

Is it not clear that in this section there is the same distinction that we have already noted between the powers and duties of central and local authorities? Here it is the function of the central authority to provide a definite proportion of the funds for an approved scheme, that of the local authority to estimate and attend to its own needs, and find the balance of the funds.

The Geddes Report was very unfavourable to the percentage basis of payments from the Imperial Exchequer. It states: "Where, in 1913-14, fixed or *per capita* grants were in force, they have now largely been replaced by percentage grants, while new grants introduced since that date have almost invariably been on the latter basis. The percentages vary from 20 per cent to 75 per cent, the most frequent figure being 50 per cent.

"The advantage claimed for the percentage grant system is that it provides a stimulus to authorities to improve the efficiency of these services; in fact, it is a money-spending device.

"The vice of the percentage grant system is that the local authority, which alone can really practice economy in these services, loses much of its incentive to reduce expenditure, especially when the larger proportion is paid by the taxpayer through the Exchequer. The deciding voice as to what money shall be spent is not that of the government or the House of Commons, but that of the local authorities."

The Geddes Committee recommended "fixed grants or grants based on some definite unit," but, so far, the percentage system remains and no other system has, as yet, been found so satisfactory.

I would ask you to note that the Geddes Committee desired the House of Commons to have the deciding voice in the matter of total expenditure, but they evidently expected the local authority to be given a free hand in the matter of details when the allotted sums had been handed over for the educational services.

THE PRESENT SITUATION. If the above account of the intentions of Parliament actually represented the situation at the present time, there would really be little left for me to say. But, as a matter of fact, the position is far different from that contemplated by Parliament. It is set forth, with much detail, in a memorandum issued by the Association of Education Committees dealing with the powers of the Board of

Education Authorities

Education. Lest I should be misunderstood in what follows, let me say at once that I am dealing with a system and not with persons, with the powers of the Board and not with the Board themselves.

The memorandum to which I have referred sums up thus: "Practically independent of Parliament, outside the jurisdiction of the Courts of Law, the Board to-day enjoys a measure of autocracy, within their own sphere of operations, greater than that possessed by the Crown itself.

"The result, therefore, is that to-day the local education authorities are absolutely powerless to question the decisions of the Board of Education as to grants, and no appeal against the decisions lies to Parliament or to the courts of law. To make their position still more unassailable the Board introduce into the regulations they make an extra one which provides that 'if any question arises as to interpretation of these regulations or as to the inclusion or exclusion of any items of receipt or expenditure for the purpose of calculating this grant the decision of the Board shall be final.' The collective effect of these provisions by statute and regulation is to endow the Board of Education (which, as there is in fact no Board of Education, means the permanent education officials) with autocratic powers to do exactly as they like, and themselves to decide finally any question raised as to whether they have acted legally and properly. It seems almost incredible that in a country supposed to be governed on democratic lines such a condition of things should exist."

The position would be bad enough if the Board were allowed anything like freedom of action, and were using that freedom in order to carry out the purposes for which they exist. But, in effect, even the Board has ceased to exist, in so far as expenditure is concerned. They have become what Sir John Simon has described them in a recent speech in the House of Commons, "a mere outpost of the Treasury," and they use the unlimited powers which they possess, not in forwarding the cause of education, not in putting into operation the Education Act of 1918, but in hindering, at the bidding of the Treasury, a great deal of much needed development. As for the Treasury, they appear to be animated solely by the narrowed imagination of Geddes, the mischievous wiliness of Machiavelli, and the social antipathies of the Evil One.

They have no cares and responsibilities so far as the rights and privileges of local education authorities are concerned, and they seem to have equally little care what kind of measure they cause the Board of Education to tread while they pipe their little tunes of falsely-directed economies. "The Board have confessed themselves unable any longer to decide on their own initiative any question directly or indirectly involving financial consideration, as nearly every question on national education must do. The decision must be that of the Treasury. Thus an education authority, able to convince the Board of the justice of its

The · Journal · of · Public · Administration

case, finds that advantages it nothing. The Treasury, whom they cannot see, and to whom they cannot present their case, decides it unheard, and insists upon the arbitrary powers of the Board being used to carry out its decision."

THE RESULTS. That the present condition of things is not one suited to the particular political temperament and history of the English is shown in the lamentable results already experienced. Policy wavers from year to year, regulations contradictory of each other follow at distressingly close intervals, and deliberate decisions of Parliament are set on one side owing to the autocratic defiance by the Treasury officials of all the legally constituted authorities.

Let me give you a few instances: Without the consent of Parliament the Board of Education have deprived certain quite efficient secondary schools of grants that were expressly given to them by Parliament; they have interfered with the provision of meals to necessitous children; they have restricted maintenance grants; they have curtailed grants to those training colleges that were established and maintained by local education authorities. The question is, not whether all or any of these actions were wise or unwise but, first, whether the contemplated division of functions between local and central authorities has not been set aside by these modern practices and, secondly, whether we care to accept a situation in which the will of Parliament can be flouted by one government department at the bidding of another. I am not objecting to economy, for I realize that the economy campaign may have had real value in making us examine our expenditure in regard to our efficiency.

A "REAL" BOARD. Various proposals have been put forward for ending what everybody but the Treasury regards as an unsatisfactory condition of affairs. This year, at the Easter Conference of the National Union of Teachers, a resolution was passed calling for the establishment of a "real" Board of Education. A similar claim was put before the Royal Commission on Secondary Education in 1897 by the public schools. They asked for a central authority which should consist "of a statutory commission composed, to a great extent, of persons experienced in educational matters, independent of any other department and responsible to Parliament through the Minister of the Crown."

The commission riddled the suggestion by pointing out that no explanation had been offered as to how the suggested statutory commission was to be constituted; "how its independence was to be understood and maintained; how it was to be responsible to Parliament; how related to the Minister who was to speak for it; whether, in the case of disagreement, he was to have the power of over-ruling it, or it was to have the power of dispensing with him; or whether Parliament was to be called in to adjudicate between them, and, if necessary, dismiss both."

We do not require any Board. All that is necessary is the restoration

Education Authorities

of the independence of the local authorities. We prefer a Minister, responsible to Parliament, who cannot shuffle off his responsibilities on to the shoulders of the members of any Board, either real or shadowy. We want, however, to be rid of a system by means of which Treasury or other officials can over-ride the considered judgments of the elected representatives of any given locality.

The Minister should have, in fact has, at his call the services of consultative and advisory committees comprising educational experts and others to assist him in determining policy. All that is necessary is that he should make every possible use of the expert advice.

To sum up: The three partners in this educational enterprise, viewed administratively, are Parliament, the Board of Education, and the Local Education Authority.

It is the business of Parliament to decide how much of the national income shall be spent on education.

It is the business of the Board of Education (a) to approve schemes in broad outlines and to distribute the funds allotted by Parliament to the local education authorities, leaving details of expenditure to those authorities. Once their estimates have been approved they ought not to be worried about tiny details, for they know the conditions and needs of the people they represent better than any one at Whitehall.

(b) To see that the schemes are carried out efficiently.

(c) To refuse to sanction extravagant schemes.

(d) To advise and encourage and help all who are engaged in any department of educational work.

(e) To bring backward authorities into line, so that the children living in any particular part of the country are not penalized by the fact that they were born in unprogressive or reactionary areas.

(f) To encourage reasonable experiments, so that the stagnation of uniformity may not paralyse initiative, and to disseminate knowledge of the results.

(g) To help to obtain national scales of salaries. In this way discussion of salaries might cease at teachers' conferences and a false impression be removed from the minds of the public that teachers care about nothing else except their rate of remuneration.

(h) To help local education authorities to spread a real knowledge of the need for education and to stimulate a belief in its effects.

It should be remembered that the various local education authorities have upon their education committees many men of standing and influence in their respective areas who give a great deal of time to the work of the schools. These men are willing enough to work without pay, but it is fairly certain that they will not be willing to continue to expend their time in forwarding the interests of the State if, in addition to deriving no pay, they are also deprived of all power. No other country

The · Journal · of · Public · Administration

in the world, perhaps, receives such an amount both in volume and quality of voluntary assistance in the matter of local government, and much of this assistance would be lost if it were felt that it had no real influence in the management of local affairs.

In conclusion I would add that all authorities, whether central or local, should reduce their rules and regulations to a minimum, in order that schools may have freedom to develop along their own lines, and that all officials, also whether central or local, should be expected to have had some experience of actual work in schools.

DISCUSSION

The Chairman (The Rev. Dr. St. John Parry, Vice-Master of Trinity) said that he was particularly interested in the stress laid in Mr. Gott's paper on the importance of the full recognition of responsibility by the authorities throughout the country, especially in view of the fact that so much of the work depended on the voluntary co-operation of large numbers of citizens. He hoped they would some day consider not merely the relation between the official departments dealing with education but the relation between them severally and the very large number of voluntary bodies moving in innumerable directions for the promotion of education.

Mr. B. S. Gott, in introducing his paper, said he regarded education as a great partnership in which certain of the partners were very often forgotten. The one which was most often forgotten was the parent, next was the teacher, and then the administrator, central or local. He alluded to the multifarious authorities responsible for the administration of education, and the necessity for simplification, but whether this was obtained or not, it was essential there should be some method of nationalizing the cost of elementary education. There was no better system of paying grants for local services than the percentage system, but when the Board of Education was over-ruled by the Treasury, difficulties were raised and local authorities never knew what particular piece of expenditure would be disallowed. All the advantages of the percentage system could be obtained by a submission of estimates which, when approved by the Board, should be paid in full. The suggestions he had made at the end of his paper left ample room for local education authorities to see that their districts obtained the educational system which they required. Nothing could be more deadly than uniformity, nothing could be worse for education.

Mr. Cholmeley alluded to the suggestions put before the Royal Commission on Education in 1897 by the headmasters of the great public schools, which established the Consultative Committee of the Board. He thought the teachers were over-represented on that Board and the administrative side was under-represented and the business side was not represented at all. He recommended the present Board to look up the original papers by which the Consultative Committee was set up.

Major Lovelock spoke as a ratepayer and representative of the ratepayers, and chairman of one of the largest groups of elementary schools in Surrey. He hoped that the salaries which were now being paid would have the effect of improving the type of teacher. He had found in his district that there was no co-ordination between the managers of the elementary and secondary schools at all. They had used local charities for scholarships for children who were otherwise ineligible.

Mr. Abbott, representing a Part III area, said they had full control of elementary

Education Authorities

education, which they asked the Board to allow them to carry up to 16 years of age, and of the new type of "central" schools which he hoped would be established throughout the country. The County Council should be the authority for higher education, but there were many large urban areas which could manage all types of education. He was coming round to the conclusion that it would have been far better had we had provincial areas. He felt that the economy which was preached to-day was not economy; real economy was not thought of at all and consequently education at present was in a backwater. He hoped we should be able to settle the question of teachers' salaries even if we could only get so far as the setting up of a national compulsory minimum.

Mr. Hankin asked the lecturer his opinion on the question of differential rating of parts of areas in the county; whether he thought the educational authority really wanted to look at education in a comprehensive way and plan the whole thing out for the future, and how far he thought co-opted members of education committees were a success.

Mrs. Hartree alluded to the difficulty of finding out what people wanted. They were very inarticulate. It did not matter whether it was education or baths, they were glad that somebody was doing it for them.

Mr. Pettitt stated that there were really four, not three, partners in the administration of education, the fourth being the Treasury. It was for Parliament to decide the education given, and it was the business of Parliament as advised by the Treasury to decide how much the Board of Education should spend.

Mrs. Corner said it was no good discussing the education of children unless they were going to have the children fit to receive the education, and she gave examples of the unsatisfactory feeding of children.

Mr. Gott, in replying to the various points, said that he thought that the consultative committee should be as wide as possible, should be local as well as central, and should be of such a kind that the Minister or the local education authority could go to it at once on any point and get advice. He valued highly the co-operation of the parents. One of the great needs was that the schools should all be brought together and that the teacher should realize that teaching is one profession. He did not believe in central schools. *Mr. Abbott* was pessimistic as to the progress made, but if they would compare the position with 1914 they would be convinced that they were making great progress. He thought that the work in connection with the feeding of necessitous children was capable of some improvement, and he agreed with *Mrs. Corner* that care should be taken that those parents paid who could pay. He would on no account have a teacher in the employ of the committee on the consultative committee. They could have as many teachers as they liked, but they should be teachers serving another authority. He thought there was no great justification for the scales of salaries unless they were going to bring a good set of people into the teaching profession.

Sir Edmund Phipps said that what happened when they were getting up steam after the new Education Act was passed was that the brakes were put on hard, and all the machinery had to stand increased strain and parts of it had to give way. In considering the question he thought we ought to begin by learning the elementary facts about the British Constitution. There seemed to be a great desire to distinguish between the Board of Education and the Treasury: that was wrong. As the principal members of the Government were on the Board of Education, it was clear that the Government was the Board of Education. It was, therefore, the Government and not the Treasury which had put the brakes on. The fact was that the natural indignation of education committees and their officers was not reflected in the House of Commons. Another point was that when education authorities themselves were divided upon a question the Board must not be blamed

The · Journal · of · Public · Administration

when the matter is decided in a way contrary to the views of some of the authorities. He instanced the question of the exact date at which the school leaving age was reached.

Lord Haldane, in summing up, said he did not regard the House of Commons as being, in practice, so powerful as it was supposed to be. It was a question of how potently a thing was asked for by the Ministers. At that moment the Board of Admiralty had asked for and had been promised ten and a half millions for a Singapore base. When public opinion demands education with the same insistence it would get the money. It was of vital importance for education that devolution should take place. He had advocated that England should be divided into provinces about the size of Scotland, that the Board of Education should be at the top and that the general staff should work out plans and standards, but that the finances should be devolved upon each of the seven provinces. The effect of this would be to raise a unified public opinion in each division. The spirit of the Treasury would change. You would have an organization which might be comparable to the big Admiralty. If education became a great tradition, you would have estimates equal to those of the Admiralty. That was why it was a source of great satisfaction to him to see the Institute of Public Administration taking up the question of the organizing of the education authority, and taking it up in Cambridge, because it was the universities which were bringing the higher thought to bear upon those problems of organization.



Economy in Education

Economy in Education

By R. F. CHOLMELEY, M.A.

(President, Headmasters' Association)

[*Being a paper discussed at the Summer Conference of the Institute of Public Administration at Cambridge, 28th July, 1923.*]

William Penn to his wife, on leaving for America: "Live low and sparingly till my debts be paid. . . . For the children, let their learning be liberal; spare no cost, for by such parsimony all is lost."

THAT is what William Penn wrote, in 1682; and it should be observed that at that date—or at any rate not long before that date—parsimony was as good a word as economy; both in fact have suffered through being appropriated by persons with axes to grind and other disqualifications for honest thinking. Whether we ought to put the interests of our children before those of our creditors is a nice point of ethics which need not be decided; at any rate Penn's case is rather like that of this country to-day, since we also have both debts to pay and children to educate, and we cannot do both satisfactorily without some kind of parsimony. But economy in education has an ominous ring to it—in fact when I, having passed the best part of a life in spending as much as I could of my own and other people's resources on education, first looked at the phrase I felt inclined to say with the poet—

One word is too often profaned
For me to profane it,

and there I might have left it but for remembering that the poet went on to say—

One feeling too falsely disdained
For thee to disdain it;

which seemed to convey a rebuke.

I suppose the preposition is the main thing. Economy *for* education was too much to expect, for that implies a whole generation so convinced at once of the value of education and of the importance of their children as compared with themselves, that they will deliberately do as a community the sort of thing that country parsons and professional men and civil servants and a few others do now as individuals, and really give up something that they would rather not give up in order that the next generation may be the better for it. I remember my father, who was a country parson, selling a favourite mare about the time that he sent me to school: and he loved riding. The nearest approach to this sort of thing in public matters I suppose to be the whisky money; and I have thought that there might be something to be said for allocating some of

The · Journal · of · Public · Administration

the less popular taxes to education. If, for example, the proceeds of the entertainments tax were devoted to the revival and development of State scholarships, with what a warmth of approving conscience should we look in at Lord's on a fine afternoon or a picturedrome on a wet one! It might even so stimulate the public imagination as to bring about the establishment of a national theatre, and all sorts of things. But that is not my subject: nor, happily, is economy *on* education. Of that, and of those who practise it, we know too much: *non ragionam di lor, ma guarda e passa*. Even if the whole of the excise were to be earmarked for schools and universities these people would remain convinced that the working man was not contributing as he should, and protest that those who sent their sons to Eton or Harrow ought to have their beer for nothing, even if it were merely for consumption in the servants' hall.

I have often thought that for a man of deep religious feeling to have to speak or write upon religion must be always an embarrassing and sometimes a painful experience, not only for the reason which Sir Thomas Browne, in *Religio Medici*, gives when he tells us that he cannot dispute upon religion for fear that he may lose a fortress which a better man could easily defend, but because the exposure of what one lives by, and for, is in itself almost an outrage. Something of the same feeling—less intense perhaps, but quite uncomfortably perceptible—must be in the mind of a teacher writing about education. It is like writing love-letters for a publisher; he must feel that what he writes will be either too sensible to be sincere or too passionate to be understood—even if he could desire that anyone else, except another lover, should understand the depth of his passion. For the moment, however, it is required of me to be sensible: and I will only say this much on the other side of the business, that unless education is to be considered as essentially a spiritual process, involving and inspiring other sorts of processes—intellectual, physical, practical—but depending for its value entirely upon the help that it is to every soul that it touches, I see no reason for troubling about economy or extravagance, or anything else in connection with it. But if it is that, is there not something almost revolting in the idea of economy in education? Not in the least, if we take economy in the only reasonable sense: economy, like parsimony, has lost its character through much mishandling, but it had more character to lose, for whereas parsimony never implied more than abstinence at its best, economy never ought to have been degraded from its proper sense of management—household management, estate management, community management, to become the password for everybody whose notion of life is limited to buying in the cheapest market and selling in the dearest, and whose notion of business organization does not rise above cutting down overhead expenses. Economy is an art: economy in education ought to be almost

Economy in Education

a fine art, for it is the art of making the fullest and most effective use of every means, personal, social, financial, with the object of developing the personality of every creature that it touches. Because it is an art of using, it is an art of spending: its virtue, whether it be practised by an individual or by a community, is the virtue described by Aristotle as liberality, and it is the means between prodigality and stinginess. The worst of Aristotle's theory of virtue is that it seems too easy; anybody can say that his own practice represents the exact right spot, and that the rest of us, if we don't agree with him, are wrong in one direction or the other: it is true that Aristotle reminds us that it is "a job to be good," and that everyone ought to distrust his own inclinations—a most disconcerting remark, if anyone ever took it seriously; but as everybody knows, Aristotle had in the end to fall back upon advising us to look about for the best man we could think of and then to do the best we could to imitate him.

Is this irrelevant? Is it not, on the contrary, just the hint that is needed? How do the best sort of people we can think of practise education in the best circumstances? If we can get an intelligible answer to that, shall we not have precisely what is needed in order that we may judge a system of education, that we may be able to decide whether it is in the truest sense economical or not? At least, instead of beginning with the minimum and asking ourselves how much we dare add, is there not something to be said for beginning with the maximum and asking how much we dare leave out? Besides, unless we begin with the question what a person does, who is approximately free to do as he thinks best, I do not see how we are to escape from the illusion that the administrative machine is a thing in itself; and the illusion that the administrative machine is a thing in itself—that any institution or device of any kind for helping children and young persons to get education is a thing in itself, is responsible for a great deal of misunderstanding, and even for a great deal of what is really, though it is not always acknowledged to be, extravagance.

The odd thing is that the relations between the most fortunately situated and most happily constituted parents and their children do really throw light on one specific problem of educational administration, and through it on educational economy in its fullest sense. For what does that kind of parent do, being so situated that he can do it? *He educates his children in his spare time.* His spare time, observe; not all his time. Parents whose time is all to spare, and who spend it all on their children, are not the most fortunately situated—nor are their children; at the best, they are brought up as John Stuart Mill was—a terrible process: at the worst—but I am not able to suggest what is the worst sort of education that unoccupied and devoted parents can inflict upon their young. I want you to look at my point, the service which is,

The · Journal · of · Public · Administration

and ought to be done to education by utilizing the spare time of busy people: for the parent with a job of his own to do, a job into which he is obliged to put his brains and his energy, that sort of parent, devoting his spare time to the education of his children till they need something more than he can give them, stands for just that part of the educational system which needs particular encouragement at the present time and which, whenever it gets its chance, does more for true economy in education than any amount of carefully oiled machinery. I am thinking, of course, of the managers and governing bodies of schools; and I ask you to consider this proposition, that in education as in other fields of human adventure, from the Mother of Parliaments and the Bank of England down—or up—to the cricket field, the truest economy of every kind of resource is to be found in a happy combination of the amateur and the professional. The time when—if it ever comes—it will be no longer possible to say that most, or at any rate a very great deal of the best work of the nation is done by busy men and women in their spare time will be a bad time for the nation's work; and if that time comes for education it will be a bad time for education. This is not a matter of convenience in organization; it belongs to fundamental principles. There are two opposite and irreconcilable ideals, one based upon the belief that the best educational system is that which extirpates irregularities, the other upon the belief that no education is worth having that does not encourage and develop the individuality and the sense of responsibility of everyone concerned, beginning with the smallest child, and ending—where? We can have the first, if we choose, without much difficulty; we can have a system in which from top to bottom everyone is standardized, regimented, intelligence-tested, in which every child is told exactly what to do, every teacher is told exactly what to tell every child, everyone minds exactly his own part of the machine—or watches somebody else to see that he does not invent something disturbing: and it will be a capital machine, “icily regular, splendidly null.” The second is much more difficult; if I were to say that the art of the jockey was a higher art than that of the engine-driver I might get into trouble, for even the art of the jockey is perhaps not compatible with encouraging his mount to think for itself—though, for all I know, it may be—and it can hardly be compatible with encouraging it to make its own mistakes; whereas the art of organizing education seems to me to depend just upon that, and the failure of the bureaucrat—the word will out—to consist in not understanding it, and that failure to be the reason why the bureaucratic mind is fatal to economy in education, even the narrow sense which does not go beyond the question of money.

The question how schools ought to be managed is the test question: it may also be called the intelligence-test; because it is just at that

Economy in Education

point, where the actual teaching of the children comes into relation with external control, whether through finance or examination or inspection, that it is most necessary, and most difficult, to establish a practice that shall preserve those children's rights. And if the practice that is adopted does not make for the preservation of the children's rights, then all those practitioners, whether they lurk in education departments or on boards of examiners or panels of inspectors, are no part of the true growth of an educational organism, but however dignified, seemly, and even dangerously attractive they may be in themselves, their growth is parasitic, and they strangle that upon which they feed. Examiners and inspectors would lead me into too long a digression, though I am tempted to placate the sparing mind by suggesting the abolition of all matriculation examinations and most scholarship examinations, and of all inspectors except those of the Board of Education (and all written reports by them): but this matter of the government of schools is urgent, especially now that in the sphere of secondary education school after school is falling into unqualified dependence upon local education authorities, and the first sign of that dependence is more often than not the reduction of the governing body to a status quite intolerable to any self-respecting person. Now the governing body represents three things, all of which are of vital importance to economy in education; it represents the interest in education for its own sake of public-spirited men and women: it represents the spare time of people whose time is valuable: it represents the amateur element in the system at one of the two points where the amateur element is essential—the other being the place occupied by the President of the Board of Education. And just as a good system of education aims at fostering the individuality of each pupil, so it will also foster the individuality of each school; which is the particular function of governing bodies. It could quite easily be proved that even in the narrow sense of economy the encouragement of governing bodies, which is the encouragement of public spirited people to do something for education by managing schools, is a measure of economy, and that to drive them out of that work by transferring their responsibilities to education committees and offices does not lead to economy at all, even in that narrow sense, but to waste and extravagance: in the wider and more important sense, to eliminate this, the one unofficial unprofessional disinterested institution that brings the public into voluntary connection with education, as if it were a matter of eliminating a superfluous middleman from the potato trade, is as uneconomical a thing as can be done.

Compared with this, most of the questions usually considered to belong to economy in education are of slight importance, or at any rate hardly deserve any great warmth of feeling, though some of them deserve the exercise of more discrimination than they usually get. I suppose

The · Journal · of · Public · Administration

that they might be classified under three heads : first, How to determine what is wanted ; second, How to get it ; and third, How to use it to the best advantage. The most obvious example of the first is the question how to induce a sufficient number of the right kind of persons to become teachers—or more accurately this is one of the questions to be answered before we can get at the main question, because what it means is : How expensive must the teaching profession be, if it is to be equal to its task ? I believe this to be much the most difficult question that anybody ever set out to solve in terms of money : and I certainly do not believe that the Burnham scales and the Teachers' Superannuation Act have solved it, though they represent gallant attempts to do so, and have at least shown everybody something of the nature of the question. It might be contended that here at any rate the first of the three main questions just stated is inseparable from the third, for it is impossible to decide how much must be spent on teaching power until it has been decided how the expenditure is to be organized : certain broad assumptions as to the way in which any given sum should be distributed over the life of a teacher are necessary, and some rough answer to such questions as whether the attractiveness of the immediate prospect or of the middle distance and even the background is the most important, and how far it is possible or desirable to attempt to allow for variations in ability and in endurance. These last two questions are very difficult : no one can say that either the Burnham Committee or the Superannuation Act has settled them : the allowance for posts of special responsibility is the only provision made for the former—for the unhappy "good honours degree" allowance is but indirectly or by inference concerned with professional ability—and the Superannuation Act is much too rigid : to force everyone to go on teaching till the age of sixty and to stop at sixty-five seems to me uneconomical in every sense ; and, though this is a different question, I have much doubt whether the principle of the Act to base pension upon salary, as it does, is not more plausible than sound : it certainly necessitates a great deal of administrative work, and this cannot be left out of account in judging whether the whole process is in every sense economical or not.

The second of my three main questions has never been faced squarely ; perhaps it cannot be ; at present we have three sets of people concerned, those who are responsible for taxes, those who are responsible for rates, and those who pay wholly or in part for the education of their own children besides paying rates or taxes, or both ; and each of the three tends to spend some energy in trying to push off as much as possible of the cost of education on to one or other of the rest. When one of these parties has achieved some success, they call it economizing, that being the term commonly used for making somebody else pay. But this is not really economy at all, except on one condition, that a shifting of

Economy in Education

responsibility leads to better management: the argument against nationalization is a familiar example of the belief that it may do so, and some believe that in education the opposite tendency is wasteful: there is an interesting exposition in one of Pliny's letters describing the foundation by himself of a school in his native town of Como, interesting for two reasons, first because his help towards the cost of the school took the form of a pound for pound grant, and secondly, because he entrusted the management of it to a committee of parents, who were even to choose the teachers on the ground that they would have the strongest motive for making the best, or at any rate the most incorruptible choice, since the interests of their own children were concerned. Except, however, so far as better or worse management may follow, no close thinker would maintain that the real cost of education was affected by the question who paid for it: the arguments of the Geddes Committee were a little confusing because they were exclusively concerned with the relief of taxation and only indirectly with the question how much of the expenditure they wished to eliminate could be dispensed with altogether, how much would have to be undertaken by individuals and how much would inevitably fall upon the rates. But the general question, what is the proper distribution of the total burden, whatever it may be, is a question to which we have no satisfactory answer. I think no one will deny that the answer embodied in the Education Act of 1918 (1921) is, in the light of the working of that Act, thoroughly unsatisfactory; apart from the question whether, granted the principle, the distribution of cost between taxes and rates was rightly determined, there probably never was a financial device which entailed so much wasteful administration, so much duplication and reduplication of effort, so much friction, so much uncertainty, and so many injustices, as the device of the deficiency grant in aid of the educational expenditure of local education authorities. Something must be allowed for the fact that it was born at a moment of enthusiasm, and that it is now being tested in a period of depression: this accounts partly for the extravagances with which the Geddes Committee charged it and for the disappointments of to-day: but unless some means can be found of giving greater stability to the system I do not see how anybody's temper is to stand it. Is it possible to give sufficient stability to the system? Is a system depending upon two variables likely ever to be satisfactory? It certainly will not be satisfactory unless we can get in the first place a fairer system of rating, and in the second a plain understanding of the right proportion in which rates and taxes ought to bear the cost of education. Failing those two conditions I suggest that the terms of the partnership between the State and the local authorities will have to be revised in such a manner as to put upon each of them the responsibility for a specific part of the whole, at any rate up to a certain point. There

The • Journal • of • Public • Administration

is one obvious method of doing that, by putting upon the State the entire responsibility for the teachers, and the rest upon local education authorities: indeed, I once advocated that with some confidence. I should feel much more doubtful about it now, for reasons which both teachers and local education authorities and possibly even the Board of Education will understand.

I began with a quotation from William Penn; may I end by reminding you of some words of Burke's? In his letter to a noble lord he says—

It may be new to His Grace, but I beg leave to tell him, that mere parsimony is not economy. . . . Expense, and great expense, may be an essential part in true economy. . . . Economy is a distributive virtue, and consists not in saving but in selection. Parsimony requires no providence, no sagacity, no powers of combination, no comparison, no judgment. Mere instinct, and that not an instinct of the noblest kind, may produce this false economy in perfection. The other economy has larger views. It demands a discriminating judgment and a firm sagacious mind.

DISCUSSION

Mr. Cholmeley pleaded for the institution of consultative or advisory committees to provide the administrators of the country with the sort of advice that would be useful to them. He was not thinking of giving a teacher a greater voice in the administration than he had. He was not at all sure how far it was advisable to allow the teacher a part in the actual government.

On the question of economy, he quoted his own school of 430 to 450 boys, which cost under £10,000 in 1910 and well over £18,000 in 1923, and pointed out that the main part of the increase was due to causes over which they had no control. People who were frightened at the increase in the salaries of teachers forgot that every year until you had reached the normal the cost was bound to go up as the teachers grew older, when you had arrived at a normal condition that would no longer happen because there would always be the balancing of the two ends. £6,860 was accounted for by salaries, books had gone up from £426 to £855, wages from £438 to £916, and fuel and lighting from £137 to £273. This accounted for nearly £8,000 of the increase.

As he had had much to do with the question of teachers' salaries as Chairman of the Teachers' Panel of the Burnham Committee, he ought to say something about it. The main ground upon which they pressed for the increase was that until they got salaries upon a proper footing, they could not expect to get the teachers that they wanted. Where, then, could economy be effected? He suggested, in the matter of examinations and in inspection, and he gave instances illustrating the duplication of work by the Board of Education and Local Education Authorities' Inspectors. But when you got down to details you were up against an extraordinary number of difficulties due to the fact that you were dealing with human beings, and the questions were not arithmetical but psychological. He did not know any more interesting or difficult subject than the question of the development of the higher parts of schools in such a way as not to be wasteful and yet not to destroy the ambition and individuality of the schools. We had to pay a price for the tenacity with which every institution sticks to its own characteristics.

Economy in Education

It made organization difficult, but any organization which ignored it on economical or other grounds was going to spoil it.

In referring to the overworking of teachers, he said that it had been frequently noticed that if you give a girl too much to do she does it and breaks down, whereas if you give a boy too much to do he does not do it. That distinction had been observed between female and male teachers to a considerable extent, but he had considerable hope that in the course of time that distinction would be broken down, and that the women teachers would take the proper line.

Mr. A. C. Stewart thought that the teaching profession would be in a much stronger position to-day if, instead of having the fixed scales which they negotiated, they had their salaries placed on a sliding scale, somewhat on the lines of the Civil Service cost of living bonus.

Mr. Waldegrave said that the paper showed that the problem of efficient education was at bottom a spiritual problem, and that you were dealing with the most difficult of things, human personality. He complained of the unsatisfactory results of the educational system, and said that if you advertised for junior clerks you got applicants who, in making their applications, showed that they could not write or spell. He asked if it were possible that for the money we were now spending we could get better spiritual values and a higher cultural standard.

Mr. Wood said that in ordinary dealings with people they found they could speak very knowingly about the Government policy in the House of Commons, but did not know what a particular building in their own locality was, nor the duties of the Town Clerk. We could never hope to get progress in education or Governmental power until people really cared first and foremost about their own affairs and realized their responsibilities as citizens, and the immense power that devolved upon the county councillor.

Mr. Pettitt said he understood that a large portion of the Friday afternoon in elementary schools was occupied in filling up certain forms relative to the attendance of children, and the teachers complained that it was a purely clerical duty and rather a menial duty at that. He also suggested that the proportion of cost of administration compared with that of the teachers was too great.

Mr. Gott thought we had gone much too far in the direction of specialization. The old "form man" who had disappeared was a fine institution, and he thought we ought to go back to him. The boys and girls who come out of our elementary schools to-day were more intelligent than ever they were. Our schools were not educating in the means of earning a livelihood but for the children's lives. He quoted a doctor who said he really believed that as a result of medical inspection and treatment in the elementary schools, in another ten years there would be far fewer C 3 men than ever there were before.

Mr. Abbott said the elementary school to-day as compared with that of twenty years ago was a different thing altogether. If they could not write quite so well, and if they were somewhat inaccurate in arithmetic, the instruction given in the elementary schools to-day was much more intelligent than it was. He felt this afternoon we had been lifted into a higher atmosphere because education was, after all, for life, for the character, and that was what we had to look to first.

The Chairman (Viscount Haldane) asked if there was any economy possible in education, except to see that you get the utmost that you could for your money. He had been struck, in the course of his observations of administrative offices, with this—that one great source of waste was the attempt to lay down in great detail how much money was to be spent on this or that. If you went into details you would be defeated at every turn by the man who was not much in sympathy with you. On the other hand, if you gave a competent person a certain sum of money with instructions to get a certain result with it, he would get it for you.

The · Journal · of · Public · Administration

Education was something of a spiritual character, and he feared that one of the tendencies of our time was to put everything into terms of arithmetic. In education, what really was important was the *esprit de corps* in the school, and that depended in large measure on the teachers themselves.

Why was there a paucity of candidates for teaching? It was not a question of money, but that we did not make the profession attractive enough in other ways. We had not learnt that there is only one teaching profession, to look forward to the ideal time when the Master of Trinity would say, "I think it will be good for my soul if I become a master in an elementary school in the East End of London," and then perhaps we might have an elementary school teacher in the East End of London coming and teaching in Trinity. There was only one profession of teaching, and the more that was realized the more popular would that profession be.

In Scotland they would not take a teacher in an elementary school unless he was an M.A. There were no denominational schools, and no teacher was selected who was not qualified. The result was that the nuns were to be seen in the Universities studying for the M.A. and B.Sc. degrees, and people said they never realized that those Roman Catholics could be such beautiful teachers. The result was that the Roman Church had acquired a popularity in Scotland such as it had never had before.

One of the potent ways of getting over the difficulties of the shortage of teachers would be to gain the *esprit de corps* that he had mentioned and to call the Universities more than they had been into the work of the training of teachers.

Mr. Cholmeley was aware that Scotland knew far more about education than we did, and put it into practice. It hurt every time he thought about it, but there it was. He felt that an enormous difference would be made if it were to be insisted that in England the teachers must have gone through Universities, and if we were to abolish all those training colleges for teachers which supplied a cheap means of training them and of making them think they had had a University education.

Referring to the complaints made of the junior clerks who could not write nor spell, he said this was a very common kind of complaint, and it was extraordinary how it vanished when run to earth. There was a great deal of nonsense talked about the inaccuracy in the secondary and elementary schools, but in every school there was a certain number of failures, and they should not be judged upon them.

There was no part of education to-day which was more progressive than elementary education. More than half his pupils had been brought up in elementary schools and he had nothing but praise for them. He concluded by quoting some remarks he had made at his prize-giving the other night. He had told them of three things necessary to prove that one was an educated man. Unless a man some time or other in his life had put his whole soul into the learning of some special thing, unless he had put his whole soul into the doing of something competently, and unless he had felt that kind of devotion to some idea or institution that made him feel that he himself was not worth a straw in comparison with it, he had died an uneducated man.

Economic Interest of Electors

In Services Provided by a Public Authority

By H. J. LASKI, M.A.

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[Being a paper discussed at the Summer Conference of the Institute of Public Administration at Cambridge, 30th July, 1923.]

THE character of the modern state is qualitatively different from that envisaged in the classical discussion of its nature during the last generation. It has become a positive state; and it is not too much to say that the main burden of its effort is to relieve the inequalities which result from the existing economic *régime*. This change is the inevitable result of the transference of electoral power from a relatively small body of property owners to the adult population of the country. The wills and aspirations which have now to be satisfied by legislation are predominantly those of a body of men and women who do not possess any capital save their power to labour; and it is not unreasonable that they should seek from the state they increasingly control the protection of an interest which, historically, has been largely neglected during the past. Anyone who compares the substance of legislation after the Reform Bill of 1832 with the substance of legislation after the Reform Bill of 1918 will see the way in which the programmes of parties have altered to attract to themselves the support of this very different electorate.

It is important, moreover, to note that the franchise has now a different philosophic basis than that which underlay the system before the Act of 1918. Previously to that Act the franchise was essentially a qualification built upon a basis which, while constantly widening since 1832, was still a property basis. It is impossible to interpret the present system otherwise than by saying that it admits the right to representation not in terms of property but in terms of personality. The attainment of a certain age carries with it the full powers of citizenship without serious limitation of any kind. The elector may be indifferent or lazy or illiterate. He may be totally incapable of judging the issues before the public. But so long as he is outside a narrow boundary of disqualification his share of political power can not be withheld from him. This can only mean, as a matter of numerical logic, that the ethos of the State will assume more and more the character which expresses the wills and desires of its poorer members. It will mean, to take an obvious example, that exactly as the squirearchy used Parliament before

The · Journal · of · Public · Administration

1846 to protect in a special way the interest of the land, so the working-classes are likely to use Parliament in our own time to protect the interests which have a special relation to their needs.

It is easy to adduce instances, both actual and prospective, from which this tendency may be clearly seen. The increase of educational facilities, the free provision of meals for school-children, the creation of services for child-welfare, the growing demand for the endowment of motherhood, for widow's pensions, and educational allowances are all examples of the way in which legislation is secured and demanded to mitigate the inequalities of the present order. The justification for this method may be found in a classic sentence of Adam Smith. "When the institutions or public works," he wrote, "which are beneficial to the whole society either cannot be maintained altogether, or are not maintained altogether by the contribution of such particular members of the society as are most immediately benefited by them, the deficiency must in most cases be made up by the general contribution of the whole society." Opinion may, of course, differ as to what public works are in fact beneficial; and I do not doubt that many of our decisions would appear somewhat singular to Adam Smith himself. But the principle he laid down is, I think, inevitable once the notion of universal suffrage, and its implications, are adopted by the state; and it is similarly inevitable that the field to which it applies should be increasingly wider as the electorate becomes more conscious of its powers.

The most striking instance of this general doctrine is the development of housing schemes by the combined efforts of central and local authorities. The breakdown of private enterprise in housing has led to a development of public enterprise in this regard which is by all odds the most convincing proof available of the way in which government must accommodate itself to the views of those who, a generation ago, were hardly in any large degree the objects of its consideration. The aspect of the problem to which I wish to draw your attention is a curiously complex one. I desire to ask three questions—

(1) Is it possible that the occupiers of houses which are owned and managed by local authorities may use their political power as electors to advance their economic interests as tenants to the detriment of the rest of the community?

(2) Does this danger, if it exists, become greater as the sphere of municipal housing expands?

(3) If such a conflict of economic interest exists and may develop, is it advisable to extend the area of public administration in these matters?

I would point out that these questions by no means cover the whole ground involved. There is, for example, a whole range of problems connected with the employment of labour directly by the public authorities.

Economic Interest of Electors

It is conceivable that builders employed by the municipal authorities would use their votes to exact from the local council uneconomic rates of wages and hours of labour. It is possible that they would seek to secure in general conditions of work which would make the cost of production greater than any possible return and therefore a continuous charge upon the community as a whole. The same problem exists in an industry which is nationalized; it is conceivable—I do not urge that it would happen—that a million miners would, if the mines were purchased by the state—use their votes to secure conditions which would make the mines a source of permanent loss to the state. I desire, however, to limit this discussion for the moment to the discussion of the elector as consumer rather than to the elector as producer. The other aspect exists, and I do not ignore it. But the exploration of the avenue in which the elector is presented as consumer is for the moment more profitable to my purpose.

I take, then, my first question. Let me note, first, certain obvious ways in which the elector who lived in a municipal house might use his political power—

(a) He might force the letting of the house at an uneconomic rent.

(b) He might force the extension to these houses of related services (lighting, water, etc.) at uneconomic charges.

(c) He might secure an undue provision of what may be termed landlord's services (decorations, repairs, etc.).

To some extent, at least, it is, I think, impossible to doubt that efforts of this kind might well be made. But so long as the number of municipally-managed houses is in a minority the countervailing considerations, I think, fairly conclusive.

(1) The municipal tenants, being in a minority, would be voted down by the rest of the electorate upon whom the burden would fall in the shape of rates.

(2) The schemes to this end would not be approved by the central government at any point where the latter's powers became applicable. Any general move in such an uneconomic direction would almost certainly involve an increase of control on the part of the central government.

(3) Any local authority which tended, through electoral pressure, to embrace uneconomic schemes on any save a small scale would find (a) that it could not raise capital for its projects save at an excessive rate of interest, and (b) that it would drive the owners of property upon whom rates fell from the district, especially the owners of factories, and so lower its own rateable value. I think, however, that the pressure of (1) above would be sufficient in most cases. To take an analogous case, the postal workers' vote is not sufficient to secure an uneconomic wage for postal workers.

I do not, therefore, believe that, as a matter of abstract theory, the

The · Journal · of · Public · Administration

political power of the occupiers of municipal or similar houses is at all likely to conflict with the interest of the community as a whole. This conclusion becomes intensified when the political consciousness of such occupiers is borne in mind. When one remembers how little likely any question of local government save the rates is to arouse a general interest on the part of the electorate, it is clear that the organization by these occupiers of their power is not an immediate problem. I would add that, so far, the experience of local authorities in the management of their housing schemes is rather definitely against the view my question suggested.

The second question is far more complex. I would first point out that in this, as in other matters, the public opinion of the electorate demands a far higher standard of provision than that with which the last generation was satisfied. I do not inquire into either the wisdom or rightness of that demand; I note it only as a fact. Either, then, private enterprise will have to show itself more capable than at present of responding to the will of the electorate, or the extension of public enterprise into this sphere is inevitable. As public enterprise grows, it is, I think, impossible to doubt that the standards of service expected from it will be higher than the standards of service expected from private enterprise. Exactly as the working conditions of the public employé are expected, at their minimum, to compare favourably with those, at their minimum, of the private employé, so, too, I suggest, with the services afforded to the electorate. So long as those affected by the service do not form any sensible proportion of the voters the results are not likely to be deleterious. For it is obvious enough that the general conditions of housing in this country have, so far as the working class is concerned, approached the scandalous; and a general rise in the cost of this service is likely to be more than balanced, over a reasonable period, by a decline in the provision for services like those of public health and particularly of child welfare. Much, naturally, is going to depend upon the level of wages. The inhabitants of a mining village who found their wages 20 and 30 per cent below the pre-war level would not be human if they did not use their votes to effect an adjustment, where they could, in terms of rent. The problem, indeed, is wider than that of houses owned by a local authority. It becomes one of the conditions likely to be attached to ownership of house property in general, with, I believe, the prospect that they will become increasingly onerous. It is certainly bound to be an item in the judgment expressed by the voter at local elections that he will seek to secure from his representatives concessions of a solid economic kind where he enjoys a direct service. He will form, I do not doubt, organizations to secure those concessions. Those who have watched the responsiveness of the politician to demand cannot doubt that he will obtain them.

Economic Interest of Electors

The question of whether this is dangerous is not, however, a question that can be answered legitimately in an *a priori* manner. If, of course, we take the view that any service which does not pay for itself is unwarranted, the answer is direct and simple; but "payment" must include results that go beyond relief to the rates. My own view depends upon quite different considerations. It can, I think, be shown that the condition of prosperity in any state depends upon the establishment of a minimum basis of civilization in health, education, the things we call collectively a standard of life, for its members. The cost of that minimum is, in this view, the first charge upon public funds. The electorate is therefore entitled to use political pressure to obtain by legislation the things without which men fall below that minimum and are thereby deprived of the means to effective citizenship. No one can seriously doubt that the housing conditions of a vast number of the population are destructive of the terms upon which a useful civic life can be led; and if private enterprise cannot, under the conditions of profit upon which it is built, secure really adequate conditions, the answer is that they must be secured by public enterprise. I do not doubt that such enterprise will be costly; but its undertaking is involved in the nature of the political relationships established by the modern state.

Here, of course, we verge upon my third question. If it is true that the pressure of the modern electorate will drive government more and more into efforts where a financial return is unlikely, where, therefore, a part of the population will be enjoying benefits that are paid for by the remainder, is the extension of the area of interests directly administered by the state advisable? The answer to this problem depends upon a variety of considerations. There is first of all the question of whether, in any reasonable space of time, the necessary services could be supplied by private enterprise. There is, secondly, the question of whether administrative science cannot suggest methods of controlling this uneconomic outlay in such fashion as to retain it within reasonable boundaries. There is, thirdly, the question whether the desire for a financial return is paramount in an issue which, like that of housing, clearly lies at the root of national well-being. Let me try to deal briefly with each of these.

(1) I take it that the history of housing policy since 1918 makes it evident that the government must intervene in order to remedy the shortage of houses. In this aspect, the only question is whether the form of intervention should take the shape (a) of assistance to private enterprise, (b) of direct public management. Of (a) I would only point out that its meaning, broadly speaking, is to offer a guarantee to the private speculator in houses against undue loss. The speculator in his turn asks for an increasingly larger guarantee. There is no difference between a subsidy to the builder who uses his parliamentary power to obtain it,

The · Journal · of · Public · Administration

and the subsidy to an occupier who uses his parliamentary power to obtain an uneconomic rent. Since the amount of subsidy, whatever its form, depends upon the cost of building houses, the direct ownership by the public authority would seem, in terms of municipal experience, to be the preferable method.

(2) For a scientific public administration can suggest various means of limiting an undue cost in the operation of such schemes.

(a) It would be possible to control the price of building materials.

(b) It would be possible to limit the outlay of a local authority upon houses either to (1) the building of houses in a fixed proportion to population; (2) to a number which involved a loss limited to a fixed charge upon the rates; (3) to a fixed loss per house. Limits of this type could be embodied in legislation so that the power of any local electorate unduly to press for advantages would be ultimately defined by the will of Parliament.

(c) It would be possible to distribute the loss upon housing schemes municipally administered by creating a rates equalization fund incident upon all local authorities, the proceeds of which could be devoted to meeting the loss incurred. It would then be possible to limit participation in the benefit of such a fund to schemes approved by the Ministry of Health or some authority appointed for the purpose.

(d) It would be possible, with or without the control of prices of building materials, to institute their joint purchase by the local authorities on the lines of the relationship between the Public Authorities Mutual Supplies Board, and a certain number of London boroughs, or, in another field, the local co-operative societies and the C.W.S.

(e) It would be possible to divorce the administration of municipally managed houses from the elected body and to place it under an *ad hoc* commission of the type represented by the Port of London authority. In this background there would probably be greater efficiency and flexibility in the management; and if the standards of such a commission were controlled by the Ministry of Health rather than the local authority a certain national uniformity of method could be secured. I do not suggest that this commission should be set up to initiate schemes. I regard it as imperative that the burden of initiation should rest with elected persons. No other adequate path to community interest in the process of government seems to exist; and not even the greatest measure of efficient administration will compensate for a low interest in the result of that effort.

I conclude, therefore, that administrative science is not without adequate means of meeting the risk of unduly uneconomic enterprise that is involved in a decentralized system of local government. But there are certain general considerations here of importance. It is, in the first place, clear that the pursuit of uneconomic schemes is likely

Economic Interest of Electors

to be fairly proportionate to the standards of life prevailing. The contrast between Belgravia and Poplar inevitably forces upon the latter the notion of mitigating the results of that contrast in such items as housing. This is, after all, only a particular case of the general problem raised by the purpose of the State. Just as we conclude that education can reasonably be regarded as a service to be judged by other standards than those we apply to the Post Office, so, equally reasonably, is it legitimate to take a similar view of housing. The definition of reasonable standards, the charges, therefore, which such a definition will imply, obviously depend upon the character of the majority in the House of Commons. It is clear enough that the distribution of public expenditure, and, consequently, of taxation, will be different under a Labour Government than under a government of the Conservative Party. Each is, I take it, equally valid so long as our primary assumption is the sovereignty of the King in Parliament.

The second consideration is the character of the electorate. Schemes that involve hardship to the community as a whole for the benefit of a fragment of itself will be presumed just to the point that we possess an unenlightened public opinion. A democracy is just as liable as any other form of government to abuse the instruments of its power if it is uneducated and uninformed. To the degree that it is trained to grasp the substance of our economic mechanisms it is likely to refrain from abuse of its power. But I do not think that any observer of our educational system could conclude that its standards are high enough or its discipline sufficiently prolonged to make it a final instrument of civic utility. A vast increase of educational effort is much the surest way to safeguard the misapplication of political machinery.

The third consideration that is, I suggest, important is the view we take of the rights of property in the modern state. Practically every scheme of social improvement involves an abridgment of those rights; and once the notion of a purely individualistic society is abandoned, it is obvious that the interest of a citizen in his property begins after the needs of the state are satisfied. We may, of course, take the most divergent views about the necessary substance of those needs; it is clear that there is disagreement, for instance, between Mr. Maxton and Sir Frederick Banbury. The ultimate factor in deciding their substance is the will of Parliament as that will is defined by the action of the electorate. Whether the method of fulfilling the purposes of the state is public enterprise or private seems to be secondary in importance to the problem of achieving their fulfilment. No state can survive over any considerable period in which there exist the present disparities between Poplar and Belgravia; except, of course, upon the basis of disenfranchising Poplar. I do not suppose that the most extreme individualist proposes so grave an adventure. Inevitably, then, the rights of property

The · Journal · of · Public · Administration

are limited by the will of those who predominate in the electorate. They will demand, as I have urged, above all an increase in their standard of life. Either they will obtain that increase by the normal methods of constitutional action, or they will turn to other means. Their action, I venture to urge, is no different from that of the farmers who secure differential rates, or of business men who utilize the Key Industries Act to protect their particular article of manufacture. My own impression is that the main difference between the problem that is now emerging and past phases of that problem is the fact that the will which provides the solution has an ambit far wider than at any previous time. Anyone who has looked at the civil list before the Reform Act of 1832 will, I think, be heartened by the extraordinary moderation of the present elector. That moderation may, I admit, be due to his very partial realization of the weapon he controls. I can only suggest that the best way to ensure its devotion to right ends is to inform him by an adequate education of its nature and limitations.

After all, our political systems must be mainly judged by the degree to which they make possible the happiness of humble men. The modern state provides a path whereby a younger Pitt may control the destinies of a people; it even gives men of leisure a field of passionate interest to cultivate. But the humble man is less fortunate in the avenues we afford; and if we have a record of notable achievement after difficult struggles, we are too impressed by the achievement to take note of the anguish upon which it is often founded. This, I would remark, is the touchstone by which the major portion of our institutions will be tested in the future; and I do not think we should be over-confident that they will stand the test. The modern state, at bottom, is an historic category. It must change its nature to suit the new needs that are upon us. The future of our civilization will most largely depend upon the temper in which we confront them

DISCUSSION

Mr. H. J. Laski, M.A.: It is rather on the development of democratic government than the technical details that are considered in my paper that I want to make some remarks.

As the result of the Franchise Acts of the last thirty years, the Acts of 1884 and 1918, the Government has become associated, not with property but with personality, and that makes a difference in the character of the State.

I take it as a clear movement of opinion during the last forty years that Government should more and more intervene in the technical substance of the national life as direct agent, that intervention has become necessary because of the breakdown of private enterprise. In a service like housing, with which the main substance of this paper is concerned, the minimum that we provide for the satisfaction of democracy is an inequitable minimum. It is a minimum incompatible with efficiency. What can an elector do? He can band himself together

Economic Interest of Electors

to see that a house is let to him at an uneconomic rent. If you mean by "uneconomic" merely that there is not a cash return, but that there is a return particularly in terms of health of the population, it seems to me clear that the fixation of such a rent at a level that enables the working classes to enjoy their lives is fundamental to any conception of a commonwealth.

I think you can administratively reduce the amount of cost; but you have to prepare for an immensely greater burden on property.

Mr. Morgan (Town Clerk of Newport): We have many social services run now by all local authorities, and I refer to water and gas where we do not see that solid effort by people to combine together to demand at the point of the bayonet the kind of concessions which Mr. Laski suggests might be demanded.

He argues that cost of maintaining a minimum standard of life, for its members, is the first charge upon public funds. He has left out an important point there. The prosperity of the State depends very largely on this, but regard must be had to the financial position of the State to stand the strain.

When dealing with housing he proposes that a scientific public administration can suggest means of limiting an undue cost of the operation of such schemes, and one of the first things he puts forward is a suggestion that it would be possible to control the price of building materials. A good many of you have had experience with the gentleman known as the D.B.M.S.,¹ and we must all agree that the D.B.M.S. has been the cause of increases in the cost of houses of something like 10 per cent. When he tried to control the price of building materials he was handled very roughly by the private interests.

Later he suggests that it would be possible, with or without the control, of prices of building materials, to institute their joint purchase by the local authorities on the lines of the relationship between the Public Authorities Mutual Supplies Board, and a certain number of London boroughs, or, in another field, the local co-operative societies and the C.W.S. My experience of buying co-operatively has not been a very long one, but my own authority has experimented on these lines, they decided that the whole of the Corporation Departments should purchase centrally certain articles that were specified, say, for instance, stationery and another example, coal, but the only case where the joint purchases have been a success was in the purchase of coal, and there I believe we have made a substantial saving, in the other cases the cost of administration has swallowed up the saving that might be made in joint purchasing.

Major Lovelock (Clerk Carshalton U.D.): I believe that the council with which I am concerned is infinitely stronger in the hearts of the people because of what they have done to try and help the members of the community. They are not all working men who live in the council houses. We have University students living in ours, we have professional men. We have tried to adjust it to meet the need of the professional man who cannot get a house. That need in our view is as great as that of the working man.

Mr. Shaylor: The correct answer to Mr. Laski's third question is I believe in the affirmative, because if you can so extend the area of public administration that the benefits of houses, etc., are conferred on all classes of the community, and all classes of the community look to the local authority or to the national Government for their housing accommodation, you will have solved the problem of conflicting economic interests.

There is far too great a tendency to value public services, especially if they are provided by local authorities, by some sort of cash return as an amount you can hand over at the end of the year for the relief of the rates.

I have been at a loss to see why we should insist on running the tramways and

¹ The Director of Building Material Supplies

The · Journal · of · Public · Administration

railways or Post Office on any different system from that adopted for roads and sewers. All of them are equally necessary for the good of the community, they should be looked upon as national services to be borne as a first charge upon our national or local funds irrespective of whether or not they turned out a profit at the end of the year.

Mr. Laski spoke of the influence exercised by the Postal vote, there is no doubt that Civil Service people, whether in the central or local government service, can exercise considerable power, but that power which is exercised ultimately with the object of obtaining better conditions, has nearly always been upon the lines of demanding an impartial inquiry. There appears little need to fear that it is going to be exercised unfairly.

Mr. Todd (Manchester): One phrase in Mr. Laski's paper reads: "It is impossible to interpret the present system otherwise than by saying that it admits the right to representation not in terms of property but in terms of personality." The one thing that has no chance of expressing itself in twenty-two millions of electors is personality.

We want to educate the electorate. I do not believe we shall get an educated electorate by political means, but we shall get it partly through the education of individuals in smaller communities than the political arena such as the community of administrators, which is now meeting in conference trying to make themselves better administrators.

Mr. Gibbon (Ministry of Health): There are really only two points with which I want to deal. Take the end of the first paragraph: "Anyone who compares the substance of legislation after the Reform Bill of 1832 with the substance of legislation after the Reform Bill of 1918 will see the way in which the programmes of parties have altered to attract to themselves the support of this very different electorate." This is worthless; there is no comparison between the conditions of 1832 and 1918. We have gone through a great war. There was nothing like that in 1832.

Then take the second paragraph on the second page: "The increase of educational facilities, the free provision of meals for school children, the creation of services for child-welfare, the growing demand for the endowment of motherhood," and all the rest of it. Anybody who knows anything about the origin of those movements knows that the driving force behind those movements did not come from any extended franchise at all, but from a very much enlarged social conscience. To say that all those changes have been brought about by simple extensions of franchise, while it has an element of truth, is to miss the major truth of the whole thing.

Mr. Laski says: "It is obvious enough that the general conditions of housing in this country have, so far as the working class is concerned, approached the scandalous." If by that Mr. Laski means that the housing conditions in this country have become and are getting steadily worse, leaving aside, of course, for the moment the whole exceptional circumstances arising from the war, it is a fallacy. Anybody who knows about the housing conditions in this country knows that tremendous progress has been made.

It is irrelevant to the present issue to say as Mr. Shayler did, that housing has to be treated on the same basis as drainage and other services and not according to services rendered and ability to pay. The question here is—are there any real problems or doctrines that do arise because the persons by whom local bodies are elected receive services from those local bodies, and can in certain ways bring pressure to bear upon them?

Secondly, if there is such a problem, what measures in the light of actual circumstances of to-morrow can be taken to minimize these risks.

Economic Interest of Electors

Mr. Greenhill: Mr. Laski says: "As public enterprise grows, it is, I think, impossible to doubt that the standards of service from it will be higher than the standards of service expected from private enterprise." That is a very good point. It seems to me that we did put up with an indifferent telephone service provided by the National Telephone Company, and we have abused the Post Office for what has been a much better service.

Mr. Ogden Whiteley (City Treasurer, Bradford): Houses are an accommodation which persons are entitled to choose for themselves. One man with a given income may choose to spend a certain proportion of it on the pleasures and amenities he gets from his house and surroundings; another man may say "I will spend my money in some other direction of pleasure and amenity." You come to the question of individual choice which does not arise in regard to your hospitals, highways, or sewers. That individual choice existing, I do not think you can come back and put the cost of those on your local rates.

On the service of water and gas the Local Legislation Committee has never insisted more strongly than in the present session that unless there are abnormal conditions and circumstances, the service must pay its own way, it must provide no obligation on the rates, and it must provide no profit for the relief of rates. I am sure Parliament would take up the same attitude with regard to the housing service if things became normal again.

Then Mr. Laski says "He" (the elector) "might force the extension to these houses of related services (lighting, water, etc.), at uneconomic charges." We have had a long experience of water and gas charges. There has been no such thing as an attempt to force an extension of those services at uneconomic rents, or under conditions which are not fair and equitable between one class of the consumers and another class of consumers.

In my own city we have 90,000 houses. Supposing 50,000 of these were owned by the municipality and 40,000 by private enterprise—I do not believe that with all the complicated interests of a modern community this one issue would band these 50,000 people together to take advantage to themselves at the cost of the other 40,000 and the commercial community generally.

The Chairman (Mr. W. Graham, M.P.): Mr. Laski has been discussing the economic interest of electors in services provided by local authorities. I understand that to mean not the local authorities on the one side, but also perhaps the State itself.

For years we have been having inquiries into local and national taxation, and in recent years people have concluded that the locality is bearing an unfair burden. On that point it may be true that in your newer services, including public health, venereal diseases and others, and perhaps even education itself—although it is much older than some of the others—you will require to continue for some time on the percentage basis, but may I say to you this morning that our inquiry has indicated that the time is coming when we have to conclude whether real efficiency is not to be found in what is called the unitary basis. There is only one other consideration I am going to mention.

In 1921, during a controversy involving an expenditure of sixty millions of British money in payment of what was held to be due to the railway companies under war time agreements and certain other agreements, three great trades unions adopted an attitude towards the Government which appeared to be hostile to the consumers of railway services in this country—forty-four millions as a whole, and that sharply reminded some of us that one of the greater issues confronting public enterprise in this country is the problem of reconciling the interests of the people engaged in the calling affected by giving them better terms.

Mr. Laski: You will forgive me if I suggest that the difference between a

The · Journal · of · Public · Administration

theorist like myself and a practical man like Mr. Morgan is that the theorist proceeds on the assumptions he states, and the practical man is never willing to state the assumptions he feels.

Mr. Morgan is dubious about the question of collective purchases. If he will confer with the purchasing department of the Co-operative Wholesale Society, they will be able to develop an undertaking of all purchases of materials which will be of common benefit to both.

I am told by Mr. Gibbon that 1832 was not comparable to 1918 because there was a war in 1918, and not in 1832. Mr. Gibbon must know that the reform of 1832 were due to the impact of the Napoleonic wars on the constitutional system of that time.

I was told that there was something called the growth of the social conscience, and that it is independent of the new economic interests that had come to play an important part in the State. We have to deal with the unconscious environment of politics. Mr. Gladstone was a great Christian statesman, and Mr. Disraeli was a great Oriental statesman, and yet when both these two made their arguments to the public those arguments were always entirely and in set terms arguments built on the solid ground of national need, and now and again the Chief Whip would enter into the room and tell them the kind of impact that would have upon the public.

Mr. Gibbon said that most of the housing situation is due to the circumstances of the war. He does not mean that. He means that houses would have been built if there had not been a war. My assertion is that in a State of this kind with twenty-two millions voting and the majority of these twenty-two millions living under housing conditions approaching a scandal, they will use that political power to persuade the Ministers to give them a better service.



Town Planning

Town Planning

Its Place in Social Development

By I. G. GIBBON, C.B.E.
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[Being a paper discussed at the Summer Conference of the Institute of Public Administration at Cambridge, 30th July, 1923.]

I. NEED OF A NEW URBAN TECHNIQUE

(1) WE are in grave danger of being enchained by urban conditions, and of being permanently subjected to inconveniences which seriously impair the efficiency and the amenity of life.

London is an extreme instance of this problem ; and it is now passing through one of its periodical fevers over its transport difficulties, the sphere in which the evils are most manifest, but not, therefore, necessarily of graver injury than in other spheres.

Some persons seem to believe that the intensity of the transit problem in London is due to British stupidity. There is no great city which is not suffering from the same ill, and some more acutely than London.

(2) What is the cure, even of this one ill of transport congestion ?

Traffic improvements will help, and are essential ; but, as past experience amply demonstrates, for a time only ; they will ameliorate, but not cure.

The conviction is growing steadily, though slowly, that these problems are to be solved only by a radical alteration of urban development ; that a new technique is required ; and that, instead of the unreasoned growth of great towns, without heed to the ills which are thereby fostered, there must be considered control of development, so that, instead of human needs being subordinated to thoughtless growth, growth shall be fashioned as human necessities require.

(3) There are few more urgent questions than this of right urban development.

How increasingly pressing is the problem of urban technique will be manifest from the table of figures on the next page showing the large growth of urban population, especially in the large towns.

Whereas the population in rural areas has actually fallen, that in urban areas is over three times as large in 1921 as in 1851, while that in towns with over 100,000 population is nearly four times as large. The facts would be still more impressive were corresponding figures for 1801 or 1821 available.

What are the Universities doing towards a solution ? Practically nothing ; it scarcely exists for them. They live largely in a rarefied

The · Journal · of · Public · Administration

atmosphere of serenity above these crudities of common clay ; but they will not play their full part in national life unless they descend more into the arena of common problems such as these, at least the broader aspects of them.

(4) I do but mention the broad problem of urban growth because attention cannot too often be drawn to it—the problem whether a radical change (as distinct from improvements, however marked, in the present general conditions of development) is needed in the growth of big towns, such as the fostering of satellite cities or, as an experienced American town-planner has recently suggested, a special form of “wheel-spoke” development, with co-ordinated industrial and residential development along the spokes (the arterial ways of communication) and with playing fields, open spaces, and agricultural production on the back lands between the spokes.

I shall not, however, devote more time to-day to this enticing problem, and propose to deal with the place of town planning in the general development of local government and the basis on which its practice should rest.

II. PRESENT POSITION OF TOWN PLANNING IN THIS COUNTRY

(5) Before doing so, a word on the present position of town planning, without entering into details.

By town planning is meant the considered settlement beforehand of the lines upon which the town is to develop. That argues prophecy, and, therefore, doubt. But a town-planning scheme should at the outset provide only for the broad requirements of development, which are—

The allocation of areas for the purposes for which they are best adapted—factories, shops, residences, and the densities to be permitted, and so on ; this is known as zoning ;

The main lines of communication—railways, canals (where suitable), arterial roads, and now, for the big towns, air stations ;

The reservation of the large open spaces, which is really part of zoning.

Population of England and Wales

	<i>Millions</i>	
	1851	1921
Living in towns with over 100,000 population ..	3·8	14·8
„ other urban areas	5·2	15·2
„ rural areas	8·9	6·0
Total population ..	17·9	36·0

Town Planning

Details of development, what is now known as site planning, can be left until the time for them is ripe in each particular area, and when it can be foreseen with sureness exactly what will be needed.

(6) Let me remove one misapprehension which still prevails in some quarters in this country.

Town planning is not part of housing ; it is much wider than housing. It is at least as important for industry and business as for housing ; indeed, in some ways, more important ; furthermore, for advantageous housing itself, right provision in schemes of town planning for industry and business is as vitally necessary as direct provision for residences.

(7) In this country at the present time, with a slight exception, there is legal power to town-plan only areas which will be developed but are not yet built upon.

It is only a matter of time, dependent on the growth of a somewhat sluggish public opinion, when the power will be extended to already developed areas.

In the United States, for instance, this power exists, and is being freely exercised. A scheme of zoning for the whole of New York has been in force since 1916, with admirable results ; and Chicago, with its nearly 3,000,000 population, has just passed a similar law. We are still slumbering.

(8) Town planning in this country is compulsory, for land as yet undeveloped, in towns with a population of over 20,000 persons, and is optional in other cases. In England and Wales, schemes become effective only if confirmed by the Minister of Health ; in Scotland, by the Board of Health. The procedure provides for notices and public enquiries before a scheme can be passed so that those interested may have ample opportunity of stating their views.

In England and Wales, thirteen complete schemes have been confirmed, fourteen outline schemes (or "Preliminary Statements") have been passed, while nearly 300 schemes are in course of preparation. Because of the many interests and the many considerations involved and the far-reaching importance of a scheme on the future of a town, its preparation is a formidable task.

An admirable recent development is the formation of "regional committees" for preparing joint schemes. One town-planning scheme, or at least a series of co-operative schemes, should be prepared for an area having close common ties, and this object is best achieved when a joint committee is established for the purpose.

This course is strongly favoured by the Ministry of Health. There are already nineteen joint committees in existence. The most notable is the Manchester group, representing over seventy Local Authorities.

The · Journal · of · Public · Administration

A well-illustrated report has just been issued on behalf of the Doncaster Regional Committee with proposals for the development of the important coalfield in that area. A fringe of joint committees is being established round London, to deal with its recalcitrant suburban problem; and one of the latest joint committees is that formed for the Kent coalfield, where the amenities of a most treasured countryside may be needlessly ruined unless measures for considered development are adopted betimes.

It may be mentioned that a series of model clauses has been prepared by the Ministry of Health, and is on sale, to help Local Authorities in their work; and these model clauses (although unavoidably in somewhat cumbrous legal phraseology) probably furnish the best notion of what a complete town-planning scheme should contain.

III. TOWN PLANNING THE LOGICAL FULFILMENT OF LOCAL GOVERNMENT DEVELOPMENT

(9) I shall devote the rest of my paper to demonstrating two propositions.

The first is this—that town planning is the logical fulfilment of the developments in local government in the course of the last century.

(10) It is not sufficiently appreciated that local government as we know it to-day is the creation of the last century. It is a response to the growing needs of industrial aggregation and to the demands for higher standards of life.

Local government was first devoted to obvious nuisances, whether of filth or of disorderly persons, and to better means of communication.

Then it passed from the ill that existed to preventing the ill that might exist; and hence the copious harvest of preventive measures, with their equally copious benefits, now so much taken as a matter of course that we are apt to overlook their source.

(11) But it is to be noted that much of this work was done to a wholesale pattern; there was little attempt to adapt measures to the particular needs of the locality.

An illustration will make the case clearer. Great evils arose, from which we are still suffering, because private builders were not required to make roads of at least certain minimum widths, and to leave at least a certain minimum of open space between houses.

Local Authorities were, therefore, empowered to make by-laws to meet this danger. Now these by-laws applied, and still generally apply, to all cases, irrespective of local conditions; there was no special adaptation to local circumstances.

The social student will at once perceive the analogy with the growth

Town Planning

of an industrial system which turned out the same article by the tens of thousands, and will appreciate that the analogy is not a mere coincidence.

(12) There are other manifest defects in such a system, admirable though its achievements in many ways.

There was very little prevision, simply some elementary precautions to prevent ills which had manifestly arisen in the past.

There was no endeavour to look at the district as a whole, and so to provide for its use as to win from it the greatest benefit to the local community.

This again was typical of a state of society which, despite the many new constructive ideas inherent in it, was largely characterized by the severance of family and social ties which prevailed in the period which preceded it.

(13) It was inevitable, given sufficient social stability, that, as the effects of what, for brevity, may be termed the by-law stage became manifest, and it was found that, excellent though the results were, they did not adequately meet the requirements and, indeed, gave rise to some new difficulties of their own, a more careful study of the facts would result in progress beyond this "wholesale clothier" period and an effort be made to provide a garment better fitted for the special local requirements.

And, as the spirit of prevention of ills had taken still further root, and, indeed, in matters of material development no less than that of health (as in infant welfare) had passed beyond the stage of mere prevention into that of obtaining such conditions as would secure the ripe development of latent capabilities, so it was inevitable that the guidance of communal control over local development would extend not only to preventing congested building and narrow and ill-constructed streets, but also to the use of land so as best to foster local prosperity and amenity.

Thus it was that we arrived at town planning, and thus also it was that in this country, though housing is only one element in town planning, it was as an adjunct of housing that town planning first became law, those who advocated it and those who passed it having in truth achieved a far greater thing than they at that time perceived.

While town planning introduces, subject to ample safeguards, some new elements of control by the Local Authority, especially in the matter of zoning, it is nevertheless largely the adoption of plans for works, such as roads, which would in any event have to be carried out, but the adoption in a systematic fashion ahead of actual needs and, therefore, with more freedom and economy. It is in this way the execution of existing duties at a higher stage of forethought and thrift. At the same time, by providing for the development of the town on lines of prosperity, it

The · Journal · of · Public · Administration

adds not only to the well-being of the community but also profits the individual owner, for which reason, where negotiations are undertaken betimes, it is generally not difficult to obtain agreement with owners on proposed schemes.

IV. FOR ITS SURE APPLICATION TOWN PLANNING REQUIRES A BROAD BASIS OF SOCIAL PRINCIPLES FOUNDED ON COMPREHENSIVE RESEARCH

(14) A conflict still wages, sometimes to my personal discomfort, whether town planning is the sphere of the architect, the engineer, or the surveyor. It obviously calls in its different phases for the services of all three.

The primary need, however, is not for any of these technical specialists as such, but for the sound appreciation of the social and economic present and future of the town and district, and the adoption of a policy founded on it.

This is so manifest that it would not need emphasis were it not that, in practice, there is often a tendency to overlook the fact.

(15) This necessity is often taken to mean that, before a town planning scheme is prepared, there must be a detailed and elaborate survey of the town or district. A survey there must be, but there is no crying need for a detailed minute ascertainment of all the prevailing conditions—the exact use of each building; the precise living conditions in each dwelling; and so on.

What is wanted is a broad general survey; a social microscope is not required. The measure of detail should not exceed those of a land surveyor, setting down the general character of an area; there is sometimes too much inclination to pay undue attention to the ant-hills!

It is not in the mechanical ascertainment of facts but in their thoughtful application that there is the most serious lack, in the hard thinking out of the conclusions as to future development which are to be deduced from facts less than in neglect to know them, though it is often strangely true how little even the informed man does really know of the conditions in his town.

(16) This stage is of such overwhelming importance, so vitally determines any town-planning provisions, that it would be well that special measures should be taken to secure its considered fulfilment.

Just as a farmer must consider not only what the fields will fruitfully bear but also what are the marketing conditions; just as it should be considered (but too often is not), before a youth's career is determined, not only what are his capabilities but also what are likely to be his chances of having plentiful scope for their exercise; so also in town

Town Planning

planning there should be careful preliminary survey of the general conditions which are likely to determine the town's future, and exactly how those conditions are likely to act and with what probable results.

In the latest procedure for preparing town-planning schemes in this country, it is provided that, even in the planning itself, there shall be a preliminary stage (that of the "Preliminary Statement"), in which the Local Authority has to put forward, in broad outline and in non-technical language which all can understand, the broad outlines of their proposals. One of the objects of this stage is to secure that the Local Authority and those whom they employ and all others who are affected may have full opportunity, and by the very form of the procedure be required, to deliberate with understanding on the broad issues of their proposals, the issues which really count, before they become immersed in the details which, though important and often troublesome and demanding precise accuracy, have in all their complicated totality not a tithe of the influence on future development of any one of the really big proposals.

(17) This general idea may with advantage be carried further; and, in the big schemes at least, Local Authorities would do well to secure the separate and special consideration of the matters which are anterior to, and more far-reaching even than, the broad outlines of the plan itself, that they should, as a first step, obtain a report simply on the present conditions, the future prospects of the town and its neighbourhood, and the factors controlling them, a report sternly free from minor details and confined to the big things, which will be an honest endeavour to assess the underlying conditions, economic and social, which will shape the town and the district around.

It is especially the duty of the administrative officials to see that this essential preliminary of any town plan is adequately met.

Incidentally, such a report, which need not be long, written in language understood of the plain business man and the man in the street, should awaken the liveliest interest of the ordinary citizen and go far towards solving one of the most desirable requirements of present town planning in this country—the awakening of the genuine intelligent interest of citizens, especially of the business community, and making them realize that town planning is not simply a matter of recondite technique, but something of vital interest to the future prosperity and well-being of the town.

(18) I have dealt only with the problems of urban growth which have to be considered when a town-planning scheme is being prepared for any particular town. Back of these localized questions, however, are important general problems touching urban development in general.

Town planning should properly be based on a sound foundation of

The · Journal · of · Public · Administration

sociological doctrine, built up after thorough research into the conditions of the life of towns—the needs which have to be met ; the essentials of urban prosperity ; the extent and the means by which conditions may be so controlled as to obtain and to keep a community representative of all classes ; these and a hundred other questions of primary importance for social well-being, in addition to the big problems to which I have referred in my opening remarks, need to be thoroughly investigated and consolidated into a sound framework of general principles into which each particular scheme of town planning would be fitted ; but very little indeed has up to the present been done to this end.

(19) Not that town planning must wait until the schools awake from their Victorian slumbers and provide these foundations of knowledge. Too often learning waits laggardly on action and comes in belatedly to grace achievement with an erudite body of reasons—and incidentally to show how much better the work would have been done had the erudition been beforehand.

Towns will not wait until professors catch up with modern needs. Towns keep on growing, and town planning must be undertaken at once if manifest evils not difficult to avoid are to be prevented. But the work must be empirical until the belated labour of research has been undertaken and a firm sociological foundation securely established.

DISCUSSION

The Chairman (Mr. W. Graham, M.P.): The problem has its roots in the distant past, but it was substantially aggravated in the rapid industrial progress of this country from the first expression of the industrial revolution 100 to 150 years ago. We realize to-day that a large part of our work in all kinds of administration requires careful foresight, it is preventive in character and designed to lay the foundation of social order.

Mr. I. G. Gibbon, C.B.E.: Town planning is preventive in its objects. It is intended to deal with general social organization. During the last eighty years typhoid, typhus, scarlet fever, and so on have been rooted out at a relatively small cost, and those of us who study town planning feel that whatever has been achieved in public health can be achieved for general social organization if we do but exercise thought. We are again in the throes of the traffic problem in London, but that problem will never be solved on mere traffic lines, and it is highly important that some person or some body or organization should look at the wider aspect of the problem before the difficulties get to such a stage that they are past remedy. Traffic is only part, but it is an important part, of town planning. Regarding built-up areas, a very interesting second step is being taken in the Bill which has now become law. Already under the Act of 1919, and in some degree that of 1909, it was possible for Local Authorities to include built-up areas in a town-planning scheme if they could show that this particular built-up area was so wrapped up with the undeveloped area that the planning of the built-up area was essential to a proper scheme. Under the new Bill a step further has been taken : there is a provision in the Bill that you can provide for certain kinds of town planning and zoning, control

Town Planning

of all the kind of buildings that can be erected, of density and so on, or you can provide for the zoning of areas which have special architectural or artistic or historic interest. It is interesting to know that we have now at the Ministry of Health a proposal from Oxford to town-plan the whole of Oxford.

Mr. Ogden Whiteley (City Treasurer, Bradford): One thing that this country is undoubtedly suffering from is the lack of economy in public funds by foresight and long vision. In Bradford we have expended in works and the acquisition of properties one and three-quarter millions of money, vastly more than they ought to have cost. We have started out with a 20 to 30 feet road, later that road had to be made into 50 feet, then 80 feet, and now we are talking about the necessity for a 100-feet road. At each stage of that development there arose what is commonly known as unearned increment, and when the next improvement had to be made the cost of the land was enormously greater than if the scheme had been properly devised in the first place. Precisely the same principle has operated in regard to lands which we have acquired for open spaces and for the building of schools. The centre of the city of Bradford has been referred to as a commercial slum, it is built up entirely of small one, two, and sometimes three-storey buildings used as small warehouses and offices. In 1913 the Corporation went to Parliament and obtained powers to acquire the whole area either by sections or in toto, with one or two slight exceptions of very good buildings, to clear it and to make a town planning scheme in the centre. Up to the present that land has not been acquired, and we have spent one and three-quarter millions—another quarter of a million will be sufficient to do the acquisition. The people of Bradford were a little afraid of the estimated cost, but there is very little doubt that not only will there be ultimately a very enormous improvement in their central area, but the cost to the city will be very little, if anything at all, as an efficiently town-planned area will have an enormously improved value. Such a scheme will provide for the segregation of trade and industry on the one hand and housing on the other hand, the provision and enlargement of transport facilities and the setting up amenities and the making of those provisions at a minimum of cost. Public services, such as gas, water, and tramways, will be more efficient and less costly if you have satisfactory highways and segregation of trade and industry and of your housing premises. The cost of police over a well planned area must be a great deal less than in a similar area badly planned. Just one word of caution. Unless town planning schemes are conceived and carried out with care and foresight, and with a reasonable amount of discretion, there is a danger that the present ratepayers or the ratepayers of the immediate future may be unduly mulcted in cost and burden for the benefit of posterity.

Mr. Wynne: I want to suggest as regards town planning and housing that we ought to be looking at the thing in at least two stages: what can be done now and during the coming year, and what we should plan for in the future. Taking the long view we should not confine ourselves to extending a large city, but gradually build up new cities in suitable sites.

Mr. Pepler (Ministry of Health): We are getting a great many regional town planning schemes which give a greater field for devolution like satellite towns. Bradford has quite recently set up a large joint town-planning committee to deal with these matters over a large region, and it is extraordinary what a splendid spirit you find there. You really do not know when you attend a meeting of the committee from what a man says what particular district he represents.

Major Lovelock (Clerk, Carshalton U.D.): There is hardly an element of social life that does not enter into town planning. Unfortunately the provisions of the Town Planning Act only apply to districts not already developed, but we know districts of 20,000 population must in time town-plan their districts. In America

The · Journal · of · Public · Administration

there is a great interest in this, and it seems rather a reflection on us, because there practically all the money is found by private enterprise.

Colonel Tebbutt (Cambridge County Council): The first thing we have to do is to get public opinion roused. We must bring out an interest in our own neighbourhood, the history of our own neighbourhood should be more important to us than the history of our own country.

New York was the worst case of town planning that ever was done. They laid it out all in squares, and then they went in again for bigger squares, and the next thing they are going to do is not to have any squares at all. While in Cologne an official said to me: "We have come to the conclusion that our zoning has done one of the greatest harms, it has done what we did not want to do, it has broken up people so that all the rich people live in one part and the poor people in the other." These experiences are only a sign of how very difficult it must be to make rules and regulations about town planning. The Government can lay down principles, but it should allow, as far as possible, all the local bodies to do the job themselves.

Mr. Walker-Smith (Ministry of Health): Who is going to consider these schemes in the manner they ought? Certainly it is not the civil servant; I doubt whether it is the administrative officials of the local authorities, much as I admire them; I do not think it is the architect or surveyor; it is not the technical man at all. We shall have to look to the business man. For instance, there was scarcely any Barrow-in-Furness seventy years ago, just a tiny little bit of wooden ship-building, and a few people stretched about on the countryside. Then came a business man. He could foresee what the needs of the future were. The borough has grown now, and largely as a result of his efforts is the centre of a very well developed town.

The Chairman (Mr. W. Graham, M.P.): While we make the largest concession we possibly can to the local freedom, we are bound to keep in mind that it is only in the centre of affairs that we can gather up certain experience. It is difficult in this country to know how far we can decentralize. The Speaker's Conference which considered the problem of devolution for England and Wales and Scotland, Ireland being excluded from consideration, was so evenly balanced that it could only present to Parliament a report on which Parliament was unlikely to act. Much of our industrial and economic efficiency will depend upon a healthy local life. We cannot have that healthy local life in the social conditions that now obtain in large centres. The contribution which town planning is going to make is not a contribution of wider spaces but a contribution of vision and hope and clarity of outlook of which we are shamefully short at the present time.

Mr. Gibbon: The problem of town planning is new in its modern requirements, and it has to be looked at afresh. There is as much pure research work to be done with this subject of town planning as there is in chemistry or physics, and we want the university type of research brought to bear on it; but the universities at present are not helping. With regard to the satellite city, we have not at present sufficient information to warrant any final judgment as to whether or not a satellite city is the best way to further urban development, but the alternatives which lie before us are not whether we shall have satellite cities or garden cities, or some other form of ideal development, but whether we shall have unregulated development except under the ordinary by-law conditions, or development fitted to the actual requirements of the case. Local Authorities do not have to submit at the beginning a full fledged plan of the whole town, they have to submit what we call a Preliminary Statement, which is really an outline of the proposed development on the broadest possible lines, and then having done that they will have a little time to consider and debate it with business men and others in the locality before they commit themselves to the final scheme.

Training of Public Servants

The Qualifications, Recruitment and Training of Public Servants

By SIR STANLEY LEATHES, K.C.B.

[*Being a paper discussed at the Summer Conference of the Institute of Public Administration, 31st July, 1923*]

THIS is not exactly the subject which I offered to the Institute. I agreed to make a few observations on the recruitment of public servants. My occupation during the last twenty years has kept recruitment constantly in my mind; but the scope of my work has not given me very extensive opportunity of witnessing and testing various methods of training public servants. Indeed, I was never trained myself as a public servant, except for a brief period of six weeks. I dropped my pilot as soon as I was allowed to do so, and learnt my job by doing it. My training from that point has been continued on the Montessori system. I have played with my bricks on the floor until I believe that I partly understand their nature and properties. As for the qualifications necessary and desirable for a civil servant, my notions about them can only be derived from the study of my very numerous acquaintance; not at all from the study of myself. I am only accurate because I am well aware of my own propensity to make mistakes; I am abominably untidy and very absent-minded. Were I advising a young servant of the public I should no doubt quote to him the time-honoured maxim *non multa sed multum*, and bid him learn all about something rather than a little about many things. But my own practice throughout life has been exactly the opposite, and by a strange stroke of chance every subject which I have ever studied or so much as dallied with is useful in my daily task. In my university days I was often reproached by academic friends for my eccentric and repellent interest in the art and practice of examination; I would not recommend any civil servant to take any more interest in examinations than is necessary to pass them. But this shameful infatuation, by an unforeseen exception, is not a drawback, it is an asset, to the arch-examiner. My own training has been all that it should not be; it happens to suit not only my temperament but my office; but I am a warning, by no means an example; and I should never preach my heresies.

However, if I am fit to speak about recruitment, I must have some views and opinions about the qualifications and even the training of civil servants. Recruitment, if it is to be rational, must be so directed as to enlist desirable recruits; again, it is useless to take in the best

The · Journal · of · Public · Administration

possible material if the training subsequently imposed upon them fails to develop those gifts which the public service requires. Therefore—I—by experience either in the ranks or in the higher command or in both—to lay down principles as to qualifications and training—I need not quarrel with the extension which has been given to my subject.

THE TASK OF THE BRITISH CIVIL SERVICE. Different ages, different forms of government, different national temperaments, demand different types of public servant. An autocracy demands faithful but otherwise unscrupulous agents, who can be taken up and rejected as the irresponsible power thinks best in its own interests. If a monarchy is on good terms with its own nobility, it will find its agents among the cadets and dependants of noble houses. A royal dynasty, that has adopted the policy of depressing all independent power, will seek its instruments among men of ability who have no dangerous family connections. Thus did Louis the Eleventh of France and our own great Harry the Eighth. A powerful oligarchy, such as ruled England in the eighteenth century, will keep the patronage in its own hands and use it as a means to extend the influence and power of the dominant party in the State. In Britain has been developed beyond any other country the habit, the instinct, the tradition, the love of self-government. Our problem in the highly complex system of modern life—which demands more regulation than is needed in a simpler state, in a more primitive community—is to frame and direct machinery of control for free men jealous of their liberty, and reconcile tolerable order with indispensable liberty. Different schools of thought will demand more regulation, or more liberty; but it may be conjectured that in this people, so long as it preserves its inherited characteristics, any imprudent attempt to enforce a desirable order at the expense of customary freedom will provoke a quick reaction.

Different social systems will use different methods to procure and train the instruments of public policy. We do not know much about the Civil Service of Athens, but we know that at any rate the clerical staff were slaves, and we may guess that in that country of government by amateurs and public assemblies the intelligence and experience of the slaves often kept their masters from fatal error. Under the rule of Rome, in that highly complex State and community, the Civil Service was mainly conducted by slaves and freedmen. By the fortune of war young captives from good families often came into the market. Those who were born to be slaves were by no means always slaves by nature. The slave-merchants chose the most promising from whatever source and educated them for a variety of professions. The finished articles, sold to the imperial household or the secretarial staff of some great man, were employed on book-keeping and letter-writing, and if found

Training of Public Servants

competent were advanced to duties which we should class as executive and even higher administrative. Those who won the favour of their lord by zeal and skill received their freedom, though the bond of dependence was not severed. Some of the imperial freedmen were among the great ones of the realm. There were great prizes even in the servile status.

CLERKS IN HOLY ORDERS. In the Middle Ages the clergy supplied all the middle and higher grades of the Civil Service. Those who were educated up to the level of the clergy had three or four lines of promotion open to them. Besides the service of the Church, the religious orders, and the parishes, the law, ecclesiastic and civil, offered one course of lucrative employment, and most of the clerical and administrative work of the landed estates, great and small, of the municipal bodies, and of the royal staff, was carried out by men who had either taken priest's orders, or had gone far in the course of preparation for such. Nowadays, in our country, we separate the judges of the realm, higher and lower, from the Civil Service; no such separation exists in many European countries; and in England the judges who, under the Plantagenets, made the common law of England were for the most part ordained clerics forming part of the king's general staff and selected for judicial duties. The foundation of the colleges of Oxford and Cambridge, originally intended for the training of secular priests, gradually opened all the fields of learning to men who were not aspirants for ordination. The continuous spread of education in the sixteenth, seventeenth, eighteenth, and nineteenth centuries gradually emancipated the public from an ecclesiastical Civil Service. There is nothing ecclesiastical about the clerks described by Anthony Trollope, though most of them no doubt had been to schools kept or ruled by ordained clergymen.

THE SPIRIT OF CIVIL SERVICE REFORM. Those who have done me the honour to read books that I have written know that I believe that our great people has in some sense a personal soul, a continuous identity, comprising, but distinct from, the individual souls and the ephemeral identities of the men and women who from time to time make up and have made up its human fabric. In the vicissitudes of time and history the soul of the people has sought different ends, has been inspired by different ideals; it has had its moods and tempers, its alternations of good and evil; it has been gay and glorious in the days of Elizabeth; sober and censorious with the Puritans; it has passed from that excess of sobriety to excess of frivolity, and thence to the affectation of British phlegm. Sometimes the student of national psychology can find in the changing circumstances of life a plausible explanation of these variable moods and attitudes. But the great change that concerns us to-day has no such obvious explanation. In or about the period 1850-1870 the cynical indifference to purity of administration and efficiency, the frank injustice and corruption and dishonesty of public patronage, which characterize

The • Journal • of • Public • Administration

the eighteenth century (though in many ways it was so admirable), gave place to an austere demand for impartial selection of the best for the Civil Service, and led to the Orders in Council of 1855 and 1870, and the Act for the Better Government of India, 1858. This amounts to a change of heart, a new spirit, for which no single obvious cause can be found.

The historical philosopher of Carlyle's school will look about for the great man or men that did this great thing, and he will easily find Gladstone and Charles Trevelyan and Macaulay and Stafford Northcote. All honour to these excellent reformers, but why did no such reformers arise in the eighteenth century? And what made their task so easy when the moment came?

It is true that in 1832 the first Reform Act was passed, and democratic enthusiasts may hasten to attribute the movement against patronage to the emancipation of the ten-pound householder. But history shows me nothing essentially incorrupt or, for the matter of that, essentially corrupt, in democracy. France is more democratic than England, but 134 years after the taking of the Bastille the sovereign French people has not extinguished public patronage, and it does not seem anxious to do so. It was almost a hundred years after the Declaration of Independence before effective agitation began in democratic America for the abolition of the "spoils" system, which, even now, may be scotched but is not killed. I believe that the Reform Act of 1832 was part of the same movement as the Orders in Council, but why did Grey succeed in reforming Parliament and why did Pitt fail? The reform of Parliament and the reform of the Civil Service are symptoms of some deeper psychical change.

I believe that the teaching of Bentham and of Wesley and of the Evangelicals deeply affected our national mind. But I also believe that no teacher can have great influence unless his teaching suits the age in which he is born. Jonah converted Nineveh, in spite of the unfavourable atmosphere, but it required a miracle to enable him to do so. I see a profound change in our mental attitude between Bolingbroke and John Stuart Mill. Each did something to shape the spirit of his age, but I believe it is even more true that each was the product of that spirit.

COMPETITIVE EXAMINATION AT THE UNIVERSITIES. One minor change can be noted in the early years of the nineteenth century which is directly in the line of causation leading to the Orders in Council of 1855 and 1870. In the eighteenth century Oxford and Cambridge were still homes of learning, but the learning was half-stifled by sloth and gluttony and corruption. In the early decades of the nineteenth century those universities by some mysterious internal impulse were led to reform themselves. In the course of that reformation, for the valuable prizes—scholarships, fellowships, and high honours—which they had to distribute,

Training of Public Servants

they developed a system of impartial award by competitive examination. Macaulay, Trevelyan, and Northcote, could never have proposed to select civil servants by competitive examination, unless they had known the satisfactory results of such an experiment in a smaller and a different field. Macaulay himself became a Fellow of Trinity by competitive examination, which may account for his exaggerated admiration for that method of selection.

We are justly proud of the impartiality of our British judicature which, since the days when the judges were the unscrupulous instruments of the monarch or the ruling faction, have become the serene exponents of impersonal law, removed from the distractions of politics and party. I quote this here as another example of that process of amelioration perceptible in the later centuries of our history, which might easily lead us to believe in an innate principle of beneficent progress governing human affairs, if countless other examples did not prove how much easier it is to get worse than to get better. I quote it also as evidence that political patronage, though no doubt bad in itself, is not necessarily bad in practice. For it is well known that judges are appointed by the Government of the day, and not infrequently chosen for political services. This dangerous contagion is counteracted by the high tradition and collective spirit which has been gradually established through generations in that illustrious Order. I trust and I believe that a similar tradition and a similar collective spirit has grown up in the Civil Service, and I hope to show that in this instance it is the natural result of the principle of selection by merit.

SELECTION BY MERIT. The principle of selection by merit was generally laid down for the Civil Service by the Order in Council of 4th June, 1870. In the earlier Order (1855) it was permissive, in the later some measure of coercion was foreshadowed. A board of Civil Service Commissioners was set up "for testing the qualifications of persons proposed to be appointed to any situation or employment in any of Her Majesty's Civil establishments." A clause of the Superannuation Act, 1859, had ordained that with certain important exceptions no person should be qualified for the grant of civil pension unless he held the certificate of those Commissioners. By the 1870 Order it was laid down that with these and certain other exceptions no person should be appointed to the Civil Service without that certificate, testifying that he was fit in respect of age, health, character, knowledge, and ability. The rules for each Department were to be agreed between the Civil Service Commissioners and the authorities of the Department, and, where the rules prescribed open competition, regulations for such competitions were to be framed by the Civil Service Commissioners. Both for the rules and for the regulations the approval of the Treasury was required. It may be added here that under the Act for the Better Government of India (1859)

The · Journal · of · Public · Administration

the Civil Service Commissioners were entrusted with the duty of holding open Competitive Examinations for the Civil Service of India, under Regulations made by the Secretary of State in Council after consulting the Civil Service Commissioners. I do not think that a bolder experiment was ever made than the policy of staffing a huge and heterogeneous empire by choosing men for their scholastic aptitudes. The experiment was justified by success, but something must also be allowed for times of unusual quiet. Under an Order in Council of 1875 the Commissioners were made responsible for examinations for first commissions in the Army (afterwards for admission to Sandhurst) and for admission to Woolwich. The Civil Service Commissioners also conduct certain examinations for authorities, such as the Clerk of the Parliaments and the Clerk of the House of Commons, who are not bound by any Act or Order.

THE CIVIL SERVICE COMMISSION. Returning to our main subject—recruitment to the Civil Service—I should like to make clear what I believe to be the true constitutional position of the Civil Service Commissioners. As regards rules and regulations for entry to the Civil Service, they are a co-ordinate authority together with the Department or Departments concerned and the Treasury—the Treasury having the final decision in case of difference, except possibly in questions concerning the technical and educational aspect of examinations. But as regards their quasi-judicial decisions as to age, health, and character, and their awards on the result of examination, they are subject to no political review or revision except that of Parliamentary omnipotence. They are not under any minister. In my twenty years of service I have only twice seen a minister on the business of my Department—you will not be surprised to hear that in each case the question was Irish in origin—though, of course, I have often seen ministers on the business of their Departments. It is said—I do not say truly said—that long ago when the Commissioners refused to sign a certificate in favour of a person (name unknown to me) the Prime Minister appointed an extra Commissioner (unpaid) who signed that certificate and never appeared again in the office. But, if that occurred, the misdeed was never repeated. The Civil Service Commissioners have not the independence of judges of the High Court or of the Comptroller and Auditor-General, who hold not at pleasure but during good behaviour, and whose salaries are charged upon the Consolidated Fund. But they are not—as is commonly suggested—a subordinate department of the Treasury. In some ways but not in others they are subordinate to the Treasury; they are appointed directly by the Crown, and they report to His Majesty.

IMMUNITY FROM POLITICAL INFLUENCE. This immunity from political influence—which within my experience has never been threatened, or disparaged by attempts at influence—is of high value where questions of health or age or character arise; it is essential where the true valuation

Training of Public Servants

of candidates' work is at issue. The examiners are liable to error ; the Commissioners are liable to error ; but the resultant of their work, so long as it is faithful and careful, cannot be improved by any intrusion of influence. No one could suggest that examination is an instrument of scientific accuracy. The examiner's valuation is partly a matter of fact, but in part also a matter of opinion. The form of candidates is probably no more consistent than that of athletes. If the same candidates were examined two or three times in succession on the same subjects by similar papers it is extremely unlikely that they would come out twice in the same order. But examination is a test impersonally and impartially directed to the estimation of merit. The candidate who enters for an examination feels that he will have a fair field and no favour ; moreover, he feels that if he works hard and uses his capacity to the best advantage he will secure reward for his effort ; there is a measure of luck, there is a margin of error, but, subject to these and the limitations of personal capacity and opportunity, the fate of the candidate is at his own disposition to make or mar. That is why open competitive examination is trusted and jealously defended against artificial restriction. In a new competition recently instituted we have tried the experiment of limiting competition to men who, being full-time university students, are nominated by the university authority as possessing the peculiar qualities suitable for an Inspector of Taxes. I am not in the least surprised that this experiment has been received with suspicion and dislike. I do not wish to prejudge the issue. On the one hand I value the qualities which enable the self-taught, the worker after hours, to compete successfully with those who have university advantages. On the other hand, the mere spending of three years in the stimulating atmosphere of a university is an element of education which no examination can test. And it is not desirable that any man or woman—however good as a student—should start as an Inspector of Taxes unless fit to stand that exacting and perhaps repellent life. We shall see how things work out, and I believe we shall be trusted to hold the balance even, as between the opposing arguments.

The great, the simple, the sovereign virtue of Gladstone's Order in Council is that it affirms the principle of selection for public appointments, not by favour, not by chance, but by merit. That is the supreme advantage of examination : it aims at assessing merit and nothing but merit. It does not assess it accurately—true. It does not assess exactly the merit you want—true ; many a great student is in things practical a duffer. It leaves out of account all those qualities which are valuable in personal encounter, in discussion across a table, in explaining to a superior, in getting explanations from a witness or satisfying an aggrieved visitor. Yes ; it has many limitations : improve it, widen it, if you can ; but never forget that it earnestly desires to get the best

The · Journal · of · Public · Administration

man, and that everyone believes this to be its sole desire. That is a fine aim ; so fine, that it is difficult to achieve. And in some degree, in some considerable degree, it is achieved by open competitive examination.

POWER AND LIMITS OF DISPENSATION FROM FIXED TESTS. Another merit in the Order is its elasticity. We may find fault with the wide powers conferred by the Superannuation Act to exclude from the Order a great number of higher and specialized situations. That clause of the Act was abolished in 1914 ; and a number of these specialized posts have now been brought under regulations which provide for a careful and impartial method of selection. But in 1870 heads of Departments were giving up a great deal ; they were giving up a great deal of bother, but they were also giving up a great deal of patronage, and patronage means influence and political "pull." Moreover, I never yet met an individual holding a post of responsibility who did not believe that he could choose his own subordinates better than any one else could do it for him. I dare say heads of Departments are like the Greek commanders before the battle of Salamis ; each would vote for himself first as a judge of men, though each might admit that open competition deserved the second place. The old system could not be swept away in a day ; it was necessary to proceed by degrees ; the first step was a great one ; others followed in due course.

Necessary provision was also made for dispensation from regulations where the Treasury and Civil Service Commissioners were convinced that an exceptional appointment was desirable in the public interest. The head of a Department who wanted to do a job had to undergo the double scrutiny, which at first was more or less indulgent ; but gradually jobs became more and more difficult ; until in the latest general regulations made by the Civil Service Commissioners, made under the latest and simplest Order in Council, known as the Principal Order of 22nd July, 1920, we get it laid down that every candidate (excepting those appointed direct by the Crown) shall satisfy the Commissioners that he is of the prescribed or suitable age, that he has a good prospect of continued health, that he is qualified in respect of character and of knowledge and ability. So long as the Commissioners do their duty this seems to give them all the power they need for controlling exceptional nominations ; which are, moreover, only permissible under one or other of several specified heads ; furthermore, the particulars of all notable cases must be published in the *London Gazette*. They are thus laid open to scrutiny, the scrutiny of Parliament, the scrutiny of the Press, the scrutiny of the Associations. The Commissioners first published such information in 1912, by their own voluntary act.

NOMINATION FOR VARIOUS SITUATIONS. The principle of Gladstone's Order in Council was, as I have said, appointment by merit ; and the normal test of merit was to be open competitive examination ; but no such absurdity was committed as to prescribe that all appointments

Training of Public Servants

should be by open competitive examination. The most important classes were gradually drawn into the group recruited by open competition; but a few classes, such as Foreign Office Clerks, Diplomats, and Factory Inspectors, in which personal qualities were held to be of high importance, were filled by competition among candidates selected by the Department (Limited Competition); and many large classes, such as postmen, messengers, and dockyard artificers, were filled on the nomination of single candidates by the department subject to a qualifying examination on a fixed scheme. The numbers of limited competition candidates are also swelled by the practice in certain classes of employing unestablished officers, the best of whom are afterwards nominated to compete for vacancies on the established staff. The rules as worked out by my predecessors in this respect (if I may presume to judge them) seem to be fair and practical: in the years 1901-10 they come out thus: of about 100,000 appointments about 28 per cent were by open competition, about 8 per cent by limited competition, and about 64 per cent by single nomination. Very little jobbery was probably implicit in the great majority of nominations, either single or to compete; I do not believe that either members of Parliament or Ministers or any other influential persons interested themselves much in these nominations (except as regards two or three classes); as a rule, the nominations were left to officers of the Department, who, having been themselves appointed by merit, were under the influence of the sound tradition steadily gaining ground in the Service that jobbery is both discreditable and more trouble than it is worth. Moreover, every official has a personal interest in the efficiency of his subordinates. Thus honour, business, and dislike of worry, pointed in the same excellent direction.

CLASSIFICATION. The epoch-making report of 1853, made by Trevelyan and Northcote at the invitation of Gladstone, thinks of the Civil Service in very simple terms. You require for public business, they assume, two classes: a smaller class which requires the highest education that the country affords: a lower and larger class to keep accounts, post up records, copy documents, and the like; that was their view. Thus you only need two kinds of examination: one of university type, and one of good sound elementary-school quality. Incidentally, I may remark that the Civil Service is much more complicated than that; how complicated, you may partly guess by turning over the pages of our Abstract of Rules and Regulations, as it was before the War. That shows, as I conjecture, more like two hundred than two classes. But, for ordinary head office work, two such classes were from the first not unreasonably postulated, and from them sprang, by modifications which need not be noted, the First Division and the Second Division. The First Division, Class I, or Upper Division—it was called by all these names—developed very nearly on the Northcote-Trevelyan lines; though, in my opinion,

The · Journal · of · Public · Administration

before the War, some part of it, in many Departments, was employed on work which did not require so high a type of education. Promotion was slow, and many must have found their finer intellectual powers blunted before they came to tasks requiring either initiative or responsibility. However, this class did correspond to a definite stage of national education which was marked in 1853 as it is marked to-day, the stage of university graduation.

The Second Division, when I first knew it, had come to be recruited by a nondescript examination corresponding to no recognized stage of national education, with limits of age 17-20. That was largely the fault of national education, which did not solidly bridge the gulf between elementary and university education. Even now the connecting structure is not fully adequate. There would be about 3,000 candidates at any time working for this competition as best they could, at schools, at institutes, with crammers, or by themselves; about 100-200 would receive appointments in any year. Now I believe that, in 1903, when I went to Burlington Gardens (if the "public schools" be left out of account, which contributed but few candidates for this class), 3,000 was a very large proportion indeed of all the males in Great Britain and Ireland who were pursuing systematic education beyond the age of 17. The work of all this large number was directed to this single, not very admirable examination. Of these the Civil Service skimmed the cream, so far as the examination was capable of separating cream from skim milk. The teaching profession, business, and industry, got only the leavings of this great body of instructed and industrious youth. In later years before the War, when new Departments were growing up, so many as 700 Second Division clerks were taken in one year. There is a vast amount of mechanical routine in any government office. It is not only wasteful of money and men to put good talent for many years on mechanical work, but it actually tends to destroy the talent. During the War we discovered a percentage, but only, I believe, a small percentage, of the high talent that was latent in this class. Already by 1903, new classes had been created to take off some part of the routine duties—Assistant Clerks, and Boy Clerks. Typists and Shorthand Typists took off a good deal of the copying. But still the Second Division as a whole was too good for a large proportion of its work; and yet it was not considered to be, and very likely was not, sufficiently uniform in quality to be confidently taken straight into higher duties. Therefore, about 1906, to meet the special demands of certain departments, a new class was started, to be recruited by a new examination devised to suit those who had stayed at school until 18 or 19 and pursued the studies appropriate to the best kind of grammar school or secondary school. That was a much better scheme than the Second Division scheme, but evidently one or the other was superfluous.

Training of Public Servants

Thus, when the Macdonnell Commission began to sit in 1912, the two Trevelyan Classes, Upper Division and Lower Division, had expanded into the following: (1) Class I, (2) Intermediate (between Class I and Second Division) otherwise known as Junior Appointments, (3) Second Division; supplemented by (4) Assistant Clerks, (5) Boy Clerks, (6) Typists, (7) Shorthand Typists, (8) Women Clerks, recruited on an examination similar to the Second Division, and chiefly then employed in the Post Office, (9) Writing Assistants, a new routine class, which had not then grown to any considerable number. There was very little promotion from Second Division to Class I; normally, none from Second Division to Intermediate; more from Assistant Clerk to Second Division; generally speaking no freedom of promotion from class to class.

Now you must pardon me if I am egotistical. I regret to admit that I am growing old, and the egotistical reminiscences of old age are to be borne with. I took a memorandum to the Royal Commission of 1912, and after a long and amusing altercation was allowed to table it. I said in effect: You have three stages in higher national education: (1) about 16, when the great majority of pupils leave the secondary schools, (2) about 18-19, when a much smaller class leaves after completing the full secondary school course, (3) about 22-24, when university students graduate. Abolish Boy Clerks and Second Division; establish a Clerical Class recruited in great number at about 16; recruit from these by promotion for the higher duties of the Second Division and the Staff Clerks; recruit at 18-19 a relatively small number for special departmental classes; retain Class I, recruited at 22-24; and have free promotion from class to class. My scheme was not then adopted; it may have been thought too revolutionary; I am not sure that it was understood; but after the War it came in on the crest of reorganization fervour as the tripartite division into clerical, executive, and administrative, with promotion in ordinary course from class to class. That is, I think, a rational scheme of recruitment. But the great crux still remains—which is provision for the great mass of purely routine duties; if the new clerical class have to carry them out it will take the edge off their minds, and dull all but the resilient natures. Alternatives? I know of none that are not either controversial, or too fantastic even for controversy. I do not think they can be profitably discussed here. What we really want for routine work is an invention of universal Robots; but the gifted authors of an admirable social satire have shown us what that leads to.

THE PRINCIPLE OF ECONOMY. Now the principle of merit is a good principle of recruitment; where the principle of merit is inapplicable, as it is to a large number of humble posts, the principle of fitness is a good second string; both have their proper place in our scheme of recruitment; but the principle of economy is required to supplement both. And by

The · Journal · of · Public · Administration

economy I do not mean cheapness, though cost should enter into consideration. The more we spend on government the less we have for ourselves. By the principle of economy I mean that for the work of the Civil Service in its various grades you want recruits who are amply good enough for the work they will have to perform, but not too good for their duties. My quarrel with the old practice of Second Division recruitment was that a great part of that class was too good for any duties that the mass of them would ever be called to perform. That was waste of good material; good men and good women are scarce; the Civil Service is very important, but after all, it performs only a small part of the work of the nation; if you take more than your due quota of the talent of the nation for the Civil Service, the rest of the work of the nation suffers. Moreover, by such waste you do not only fail to use the good material; you actually destroy its quality in large measure by numbing work. So far as I could understand the Macdonnell recommendations—they were vague as to proportions and although you cannot be precise about proportions a just estimate of them is essential to a correct solution—they would have aggravated and not mitigated this evil. Under the new system, if I correctly anticipate its working, the proportion directly recruited at the age of 16-17 will cover the whole of the ground previously occupied by Assistant Clerks, part of the ground previously occupied by Boy Clerks, and a large part of the ground previously covered by the Second Division. Promotion from the Clerical Class will provide for a further large part of the duties previously performed by the Second Division and the staff clerks hitherto recruited from its numbers, and also for a part of the duties performed in the past by Intermediate Clerks. Thus economy will result in two ways: first, the State will not be taking so large a proportion of the class who pursue systematic education up to the age of 19 or 20; secondly, the exceptional talent, which will no doubt be found in the large class of boys and girls recruited from the Clerical Class, will have far more openings into which it can expand, than had the Assistant Clerks, the Boy Clerks, and the Women Clerks of the past. The full development of the scheme has been and will be retarded by the necessity of absorbing a large number of Second Division Clerks into the reduced number of executive posts; and its working will not be according to plan for many years owing to the admission to the Clerical Class of great numbers of ex-Service men. But the advantages of the scheme are, we trust, only postponed and not annulled.

RECRUITMENT OF WOMEN. In the comparison of pre-war schemes of recruitment with post-war conditions I have been obliged to defer the topic of freer admission of women to the Civil Service. That introduces another factor into the problem, which does not modify the principles laid down above. I certainly do not intend to advocate the

Training of Public Servants

more liberal introduction of women into the Service on the ground of economy either of cost or of talent. On the other hand, I have always held that good reason should be shown if women are to be excluded from any legitimate occupation ; if women try any occupation for which they are unfit they will not be long employed therein, and no harm will be done. The right of women to admission to all ranks of the home Civil Service has been very amply admitted by Act of Parliament, and during the War some women have shown very great ability in highly responsible posts. For the moment the women have to contend, not only with inevitable jealousy and prejudice, but with the claims to promotion of men who have been in the Service for many years, and with the rights of the ex-Service men. In these difficult circumstances the women have shown very wise and admirable self-restraint. The principle having been admitted, it is for them to make good by patience and peaceful penetration.

As for open competition in examination between men and women, I cannot get away from what I said in 1912, "There is one fundamental assumption which underlies all forms of open competition. The assumption is that there is a substantial similarity among the candidates." I think that this assumption breaks down in competition between Indians and Britons. The fundamental qualities are different. To a less extent I think it breaks down as between men and women. In many cases men and women can do the same work, but they will always do it with a difference. I cannot regard men and women as entirely interchangeable parts for our machine. The more difficulty I find in saying what the general difference is between a man and a woman, the more convinced I am that such difference exists, and that it is profound. I cannot tell whether, under combined open competitive examination, women will get more than their share or less than their share of appointments. I cannot tell whether, under open competition, the right women or the wrong women will be selected. I am afraid it might turn out to be the latter. But this question of combined or separate competition is a matter of high policy, and will be decided not by the Civil Service Commission, but by public opinion, by Ministers, and by Parliament. Foreign countries are admitting one or two women to the Diplomatic Service. In that interesting profession feminine qualities should have specific value. Among the feminine diplomats one would expect, perhaps, some aces, but certainly one or two jokers.

COMPETITIVE SELECTION BY INTERVIEW. In the Civil Service there must exist a certain number of technical appointments. We have need of doctors, lawyers, architects, specialists in science, men and women with direct experience of schools and teaching ; in short, of a variety of persons who have gained, over a number of years of practice in a profession, experience which cannot be acquired in the Civil Service.

The · Journal · of · Public · Administration

In the past such professional or technical posts were filled at the discretion of the Minister and his advisers. I have no knowledge on the point, but it is possible that some of these nominations were not free from influence, that they were not made entirely on merit. If jobbery is suspected, it is almost as bad as if jobbery exists. The Macdonnell Commission on this point made a very interesting recommendation. They declared it desirable that all such appointments should be made, after due public invitation to qualified competitors, by the recommendation of an impartial committee, on which the Civil Service Commissioners should be represented. This proposal arose out of a device, adopted by Mr. Winston Churchill in 1909, for the selection of Labour Exchange managers. For dealing with the vast number of applicants, he set up a Committee, with a Civil Service Commissioner as chairman, and two other members, one a manufacturer, and the other a Labour leader. The applications, numbering 13,000, were preliminarily sifted by the officers of the Board of Trade, the Committee personally examined the credentials of 1,000, and selected 200 for interview, of whom 100 were finally recommended and appointed. Similar procedure was adopted in 1911 for the outdoor staff of the National Health Insurance Commissions, on an even larger scale; there were then 100,000 applicants.

From these experiments I learnt certain lessons. There is no difficulty in securing the impartiality of such a Committee. It never thinks of being partial. The degree of unanimity which three to seven responsible beings manifest on such an occasion is very remarkable. They make mistakes, no doubt, but they are collective mistakes: there is no occasion for disputes. Canvassing and lobbying were slightly troublesome at first, but they never had any effect; since rules have been made against them they have entirely disappeared. Vast numbers are a great impediment; you never can feel sure that some of your best candidates have not been swept into the discard. Idle applications can be practically excluded by requiring a small fee-stamp on the application form; the candidate who does not value his chance at half-a-crown is probably a good judge of his own merits. It is generally possible to lay down certain necessary qualifications, to require certain certificates: where that can be done numbers at once become manageable. I learnt also how quickly one gets a definite impression of a candidate in a short period of conversation and observation: I think it is rather observation than conversation that illuminates. One's inclination is to be on one's guard against knowledge so easily won, but when, time after time, with examiners of very diverse kinds, exact coincidence is the rule rather than the exception, one's faith is strengthened, though the process by which results are reached remains obscure. No doubt there are types which do not succeed in impressing themselves by interview. They are not so much the nervous or shy or reserved;

Training of Public Servants

I should describe them as the apparently insignificant. We all of us must know men and women of great force and power who do show their qualities on first acquaintance ; but this type is rare, much more rare than the type which, although possessing force, and power of mind, and character, never can do well in examination. I do not think the impostor has much chance ; he almost always gives himself away. The sullen and surly are certainly at a disadvantage ; but then sullenness and surliness are a disadvantage elsewhere, not only in the Board Room of the Civil Service Commission.

This method of competitive selection has been adopted for a large class of appointments, notably the Legal Staffs of most Departments, the Inspectors of the Board of Education, and appointments in the Museums. After the War, during the period when competitive examination of University type was plainly impossible, a similar method, combined with qualifying examination, was used for selection to the Indian Civil Service and the Administrative Class. The qualifying examination used for that purpose was based on the first section of the scheme previously adopted for our great combined examination for Indian Civil Service, Administrative Class, Foreign Office, etc. In that scheme the first section is designed to test the permanent results of education. Whatever else of specific knowledge may be obtained by prolonged systematic education, two things may certainly be adopted as marks of success or failure ; the first is, accurate comprehension of the English language and its workmanlike use in expression ; the second, a coherent and intelligent notion of the world we live in, both on its political, economic, and social side, and as a product of biological and physical law. In addition, the whole of the candidate's record, both military and educational, was before the Selection Boards, and confidential reports from persons named as well acquainted with the candidate's work. The single object of all these Interview Boards has been to detect and appraise merit, and I am proud of the confidence which has generally been placed in them. That confidence would not have been given had it not been won by steadfast impartiality and love of justice manifested throughout a history of seventy years. As I have said, the principle of selection by merit sedulously observed over several generations of civil servants in the end establishes a tradition which is a safeguard against the weakness of the individual.

"VIVA VOCE" EXAMINATION. I suppose it was experience of this kind, acquired over several years, which encouraged me to recommend to the very distinguished Treasury Committee appointed in 1917 for the purpose of revising our chief examination that all the candidates should be seen and marks should be awarded for intelligence, alertness, and similar qualities as shown in a *viva voce* examination. My most eminent and experienced colleagues, representing between them all the main branches

The · Journal · of · Public · Administration

of study and all kinds of universities in the kingdom, welcomed the suggestion, and it was unanimously adopted. The only difference of opinion concerned the proportion of marks to be awarded to the "viva." I believe we took the mean between two extremes, but for my own part I am satisfied with the allotment. As they pointed out in their report, Civil Servants have not only to express themselves on paper, but also by word of mouth, and there are many qualities tested by personal interview which written examination leaves unexplored. The *viva voce* examination of candidates who have not entered upon life is a much more difficult thing than selection of candidates whose record, professional and other, is before the Board. Almost any well-meaning person, who knows his job, can give valuable assistance in choosing men for that job, if those men have actually been engaged in doing similar work. In *viva voce* for young men and women, the test of intelligence, of alertness, and of a particular kind of sympathy, is quite as high for the examiner as for the examined. However, there are plenty of fit judges to be found; it is up to us to find them, and persuade them to act; such work is a severe call on energy and time.

DIFFICULTIES OF EXAMINATION. Returning to examination, pure and simple, the easiest class to examine is probably the class, age 18-19, who have had the full secondary school course. Scholarship examiners at the Universities are clever men, anxious to discover talent, and they have devised a good type of papers, devised to test intelligence as well as knowledge. At the University graduation stage, specialization has proceeded so far that, if it were not for the general section which all candidates must take, there would be no common ground between the various groups of candidates. Where there are considerable groups of candidates in particular subjects, some standardization is possible. But, to take an extreme case, how is it possible to assess the proportionate award of marks as between two candidates in zoology and two in physiology, or between each of these two groups and all the other groups? Examination standards are not absolute but relative. There seems some danger of the breakdown of this highest examination through the progressive subdivision of studies at the Universities. I have sometimes been tempted to recommend that second-class honours in any university of the kingdom should count as a qualifying standard for entry to this examination, and that the competition should be in Section A—the general section—alone. There are objections to such a proposal, some of which are obvious; others perhaps less obvious. But it may come to that.

The 16-17 class, and those younger still, are yet more difficult to examine, especially in English and history. With the help of one or two able and original and sympathetic students of the young mind we have established lines of our own in these subjects, which are, we believe, superior for our purposes to those generally in fashion. But we find

Training of Public Servants

very few examiners who can work on these lines. In modern languages, again, owing to the great numbers, it is impossible for us to hold *viva voce* examinations; so that we remain in ignorance as to whether any individual candidate can pronounce a single word he reads or writes, whether the language he presents for examination is alive or dead to him. Examinations are in many respects evil; but they are a necessary evil. Having agreed that, we can go about our business and try to get good out of evil, which has been the most ordinary task of man since Eve listened to the serpent.

PSYCHOLOGICAL TESTS. Hopes are held out to us by many learned enthusiasts that we may by psychological group-tests ascertain more rapidly and certainly than by any of our examinations, which they call attainment tests, the relative inborn intelligence of all our candidates. We should be very glad to do that; indeed, we already try to make our examinations test not only attainment but intelligence; for every civil servant, native intelligence is a most valuable quality. I have been sitting for a year on a committee which is asked to report on the value of these tests. Some of us are enthusiasts; some of us are partly converted; some of us continue wholly sceptical, in spite of the example of Columbia University, which submits all its entrants to psychological tests, and is quite sanguine about the results. But I notice three things: first, that these tests value only native intelligence, and for the civil servant we need native intelligence, it is true, but native intelligence is not enough; we want educated intelligence; so that these tests could only be supplementary to tests of attainment; secondly, that most of the authorities agree that the native intelligence as judged by these tests reaches its maximum at about 16 years of age; some even say 14; it remains undiminished perhaps until 20; after which the shades of the prison-house begin to descend. I don't like this kind of native intelligence. I had hoped that my native intelligence had increased since I was 20; that it was still increasing, and might yet increase. The kind of native intelligence tested by the psychologists may not be exactly that which we most desire. At any rate, since our chief examinations take place after the age of 16; since they test attainment which we desire; since attainment depends partly on native intelligence, and in large measure also on industry, determination, self-control, and self-discipline—qualities also desirable in civil servants—perhaps we may for the present be content with our own tests—improved so far as we can improve them—which aspire to tell us about developments which have occurred since 16. Thirdly, I am convinced that a little, a very little, practice in the tests that I have seen, would make a great deal of difference in the results. That being so, I am certain that if we adopted these tests teachers and pupils would forthwith begin to cram them; vary the tests as you please, they would still cram them; and I cannot

The · Journal · of · Public · Administration

imagine a more unprofitable exercise, if prolonged. But above all, I attach great importance to the confidence of the public. That confidence is a heritage of seventy years. During that time, I believe, we have steadily improved our examinations, but we have never transformed them at a stroke. We can afford to wait. There are plenty of fields in which these experiments can be tried without hazard; they will be tried, and tried over and over again. Three years hence, five years hence, their value may be firmly established. The public may by then be used to them, may have confidence in them; then we may employ them for the additional information which they afford. It is not suggested that they should ever supersede our attainment tests, which, I repeat, are also tests of intelligence, and not good tests of attainment unless they are also tests of intelligence. For it is not knowledge that gives a man his value; but the use that he can make of his knowledge.

On this note I would end. In the earlier part of this paper I have made much of the independence that has been accorded to the Civil Service Commissioners. That traditional independence only excludes political interference with our semi-judicial functions. In our administrative capacity we are hedged about with abundant constitutional restrictions. But, quite apart from that, we are the organs of public opinion. It was a change in public opinion that led to our establishment. We can only be useful so long as we keep in tune with public opinion. And, for our own part, we have never seen reason to be dissatisfied with the attitude of public opinion towards us.

DISCUSSION

Mr. Brydges drew attention to the problem of the recruitment of municipal servants for which he said the National Association of Local Government Officers proposed to establish examinations. Some authorities, however, preferred to advertise for applicants and interview them. He thought that the committees were apt to be swayed by other considerations than the mere ability to carry out the work; he, therefore, favoured the idea of examinations for municipal servants.

Miss Sanday did not think that women in general would agree with the lecturer's view that they should be recruited as women for the Civil Service and not as citizens; the main reason being that as long as women were recruited as women, so long would their opportunities be limited and unequal as compared with men's. They had been employed hitherto either on detailed work either because they were cheaper or more fitted for routine work or on work in which the sex element was a factor. That very fact had prevented them from being admitted into full discussion and consultation on matters of general interest to their respective departments.

Mr. Day referred to the experiment being made of recruiting inspectors of taxes from men nominated by a University authority. He presumed the intention was that they should be specially fitted to meet business men on an equal footing. He pointed out that the persons to whom the task of selection was to be entrusted

Training of Public Servants

were men belonging to the world of study rather than to that of action, and that they were not qualified to exercise the necessary discrimination. He advocated the selection of candidates by examination coupled with interview.

Major Lovelock thought that the municipal officers should have the same security of tenure and superannuation as the civil servant, and he thought the Institute would best fulfil its functions by doing something to secure more systematic re-organization or setting up some system for the appointment of local government officers. Their job was much more difficult than that of the Civil Service. They have no precedents to guide them as had those at Whitehall.

Mr. Pettitt thought that the system of examination was particularly suited to persons of the right temperament for it. Many of the best men had been ploughed in an examination. He alluded to the system of promotion in the Customs and Excise, an official in which had to serve eighteen years to gain promotion, and, as he could not enter the service until he was 19, men on the verge of 40 were studying for a Chinese examination. It was not fair to the State or individual that individuals should be called upon after many years of service to study in their spare time.

Mr. Shaylor suggested an administrative clerical Civil Service of one grade, recruited in three stages, corresponding with the three stages in our national education; one at the age of 16, when boys and girls leave the secondary schools, another at 18 or 19 at the completion of the special school course, and the third at 22 to 24 when University students graduate, and when they had got them into the Civil Service they should not be earmarked quite as definitely as now. He ventured to suggest that the three classes might very well be amalgamated and allowed to compete simply on the basis of their own merits, aided by the degree of education which they had received for the higher posts.

He also referred to the great importance of putting men through the routine work of the department for the first year or two of their service. The mistake had been made in the Accountant General's Department of the Post Office of handing over all ledger work to the women's side, but that mistake had now been rectified. They took the new men and let them do the work for a time in order to know where their work started from.

Mr. A. C. Stewart said we must all support Sir Stanley Leathes in his defence of the security of tenure of the civil servant. But the present system goes far beyond security of tenure: the civil servant is not only secure in his post, he is almost compelled to hold it whether he wishes to do so or not. The pension right of a civil servant is, I believe, worth about 12½ per cent of his salary. If he has spent many years in the service this becomes an important asset, but if he wishes to retire before he is 60 years of age, and is so unfortunate that he cannot get a doctor to certify him as being in failing health, then he must sacrifice all claim to it.

These conditions of tenure are intimately related to the system of ministerial control. From the point of view of the minister in charge of a department, the greatest virtues which a civil servant can possess are a long memory and great accuracy. The civil servant who by mistaken action provokes an awkward question in the House of Commons is damned. This is not encouraging to initiative.

But more and more, with the extension of government functions initiative is required of the civil servant. Under these conditions "safety first" must cease to be the one recognized virtue: and the efficiency of our systems of recruitment, training, tenure of office, and interchange of men from post to post, must be judged by their effect on initiative.

Mr. Pullinger recognized that in the great bulk of local authorities there could be no such thing as competitive examinations, but in the large centres competitive

The · Journal · of · Public · Administration

systems had been adopted. The National Association had established a correspondence institute, and at the present time had 600 to 700 members taking courses. In addition to the entry to the Service they were considering the filling up of posts in technical branches and so were preparing students for the examinations of the Surveyors Institute, etc.

The Chairman (Rt. Hon. Austen Chamberlain) said that he once was criticizing the examination system to a distinguished civil servant who answered, "Well, after all, what do you require in the civil servant? What does the examination prove? It proves that he can make good use of such little knowledge as he possesses, and it appears that on occasion he can cram a subject of which he knows nothing; what more do you want in the civil servant than that?"

Referring to the system of nomination by the Universities, he said that it was worth remembering that there was a growing tendency on the part of the business man to look to the Universities to provide and select for them men to take up prominent positions in their businesses. He attached importance to the attempt which was now being made to combine oral examination and personal impressions of the candidates with paper work, and the natural intellectual attainment which the paper work showed.

One of the problems of the Civil Service was to afford in the early years opportunities to a man to keep his intellectual alertness and not lose it in doing the routine work and the drudgery. Recently there had been a tendency to treat the Civil Service much more as a common pool and less as a series of water-tight departments. There ought, in each department, to be room to move a man or woman about and give him or her a certain amount of varied work. It was now a settled thing that in filling a principal post in any department you should look, not merely to the fitness of man in the department but fitness of man in other departments.

In encouraging initiative they must not lose that indifference to party politics which had been the great characteristic and safeguard of public service. He quoted Sir George Murray as having said to him on one occasion that a long experience in the Civil Service had led him to the conclusion that all Governments were very much alike, with a tendency on the part of the last to be the worst.

Sir Stanley Leathes explained that he had not dealt with the municipal officers partly because of ignorance, partly also for the reason that the circumstances of the various local authorities were so different, there being 2,000 local authorities in the United Kingdom, ranging from the London County Council to parish councils.

He was surprised there had been no attack upon the system of interview and *viva voce* examination which, with considerable misgiving, he had ventured to introduce. He had been agreeably surprised to find that *viva voce* marks had been accepted the same as examination marks. He dissented from the view that gentlemen of the Universities knew nothing of the world outside. There was a considerable leaven of men who had watched the careers and studied the characters of hundreds of men who had passed through their hands. Those who had turned their attention to the study of young men had more quickness and alertness in summing up characters at their interviews than most civil servants he had met with. It was a great misfortune that the Civil Service Commission had little opportunity of judging the results of their operations, but so far as the men who were chosen for the administrative class were concerned, he had nothing but praise of their work. He always remembered that it was the element of free competition that raised the Civil Service standard in the eyes of public opinion.

Sir Henry Babington Smith

The Late Sir Henry Babington Smith

IN 1903 there was a vacancy in the Secretaryship of the Post Office and the department was suddenly stirred by the news that Mr. H. Babington Smith, C.S.I., had been appointed. Little being known of him except that he had some connection with the Ottoman Public Debt, reference books were eagerly searched, but these only revealed that he was young as Post Office secretaries went, being only forty; had distinguished himself academically, and married a daughter of the Viceroy of India.

Jobbery was suspected, but if the suspicion was well founded, the job was fortunate, for Babington Smith was one of the most brilliant men who ever went to St. Martin's-le-Grand. He was not very impressive at a first meeting. Good-looking, suave, and self-possessed, there was a curious shyness about him, and, like men who are physically finely proportioned, he looked smaller than he really was and had a certain nattiness in his ways which made the casual observer think less of him than he deserved. Genius is ever expected to be untidy. The impression was only momentary, for the shortest conversation with Babington Smith revealed his immense power and wonderful capacity for grasping details.

One of his finest achievements he probably regarded as of small importance, but for several days in 1906 he gave evidence before the Hobhouse Committee and nothing could have been more thorough and brilliant than his survey of Post Office staff conditions and his answers to the innumerable questions thrown at him. He had only been in the Post Office two years and during that time an immense amount of work had passed through his hands; yet never once did he falter and although his audience contained at least a dozen men eagerly waiting to find some mistake in his evidence, men whose knowledge of their particular sections extended over twenty or thirty years, he was never convicted of error, although of course his deductions and conclusions were regarded as wrong by many.

With all his courtesy he could be exceedingly caustic and sometimes a little unjust, and one eminent official of the Post Office never forgot or forgave a sentence of Babington Smith's which dropped from him quietly and almost casually, but was of the most burning character.

He could carry an immense amount of work and was peculiarly fitted for the International Conferences which occurred during his tenure of office and at which he was an outstanding figure. His exceptional knowledge of foreign languages was of great value on these occasions.

In the Post Office little was seen or heard of him after 1909 when he went back to Turkey, and it is doubtful whether he ever recalled his Post Office experience except as an episode in an extraordinarily varied career, but those who worked, and sometimes suffered under him will never forget the six years of his secretaryship.

Lord Buxton, who has a capacity for the felicitous phrase, summed up Babington Smith in a few words as possessing "a high sense of honour, a clear intellect and a fine temper."

Reviews

[It will be the object of the Reviews of Books in the JOURNAL to cover the whole ground of the literature produced in the preceding quarter which may have a bearing upon public administration. By this means, it is hoped, some assistance will be given to the student and some direction to the general reader. A judgment of the value of the books will be attempted, as portion of the ordinary duty of criticism, but the particular value of the book in its relation to the advance of the science of public administration will be regarded as the paramount criterion.]

I

"HISTORY OF THE PEOPLE OF ENGLAND," by Alice Drayton Greenwood. (S.P.C.K.) 7s. 6d. net.

THIS is the second volume of Miss Greenwood's social history of England. She has certainly gathered together in admirable fashion a mass of material which has been placed at the disposal of students in recent years. Her work is singularly well-balanced. It covers the social history in a remarkably inclusive fashion and yet she does not altogether depart from what we must call the conventional story of kings and queens, so that the student can take into account these fresh studies of social life and fit them into the picture to which he has become accustomed. Of chief interest to the readers of the JOURNAL is the altogether praiseworthy treatment of Government administration. An excellent example of this is the chapter which deals with Tudor administration. It tells us the relation of the Council to Parliament, the precise functions of Ministers, the Councils of the Star Chamber, the Marches of Wales and of the North. The last of these deserves the special notice which Miss Greenwood has given to it. For that was a time when the North of England was regarded as having claims to administrative specialization. The Council sat at York largely because it was given the function of maintaining relationship with Scotland. It had another responsibility in that local administration was given to its care, including the appointment of justices, whose functions in respect of wages and prices were astonishingly wide. It was a sort of final court of appeal in respect of alleged oppression, and was the resort of the poor. Miss Greenwood throws new light on local administration, the functions of mayors and corporations of boroughs, "to proclaim and see carried out new Acts of Parliament, or the special orders which were continually issued by the Council in temporary crises, e.g. as to permission or restraint of travelling abroad, export of this or that class of goods to this or that country, repair of fortifications, selection of a quota of soldiers, victualling of ships, apprehensions of robbers or vagrants, quarantine or isolation for the plague, special customs duties, etc." The village administration is given in

Reviews

detail, and those odd functions of parishes and vestries which have either been continued or revived are fully described. Altogether a sound book for the student, with abundance of fresh light on aspects of life which have been too readily overlooked in their value for comparison with developments in our day.

J. L.

II

"THE SOCIAL AND POLITICAL IDEAS OF SOME GREAT MEDIAEVAL THINKERS," edited by F. J. C. Hearnshaw, M.A., LL.D. (London, G. G. Harrap & Co.) 10s. 6d. net.

It is significant of the increased interest which is being taken in the political theories of the Middle Ages that the course of lectures reprinted in this book should have been exceptionally attractive. The lectures were given at King's College, London, and the lecture hall was filled to overflowing. The lectures cover a long period—from St. Augustine to Wycliffe. They take what we may call outstanding types, St. Augustine, John of Salisbury, St. Thomas Aquinas, Dante, Pierre Du Bois, Marsilio of Padua, and John Wycliffe. They look at the teaching of each exponent and expound it popularly, but there is all the time the one question lying behind, and that question is the relationship between State-hood and Church-hood. It has been said that the birth of the nations was the downfall of ethics in national life. It is an easy summary, but these lectures show that a good deal more is involved. In fact there is at issue the fundamental of private property as well as the fundamental of sovereignty in the State. Without putting it into so many words the question is whether the sense of moral responsibility over the consciences of men involves some recognition of an authority in morals. Is there a *justitia*, a righteousness, a duty to others? If there is, how can it be defined or enjoined? What is its parallel as between States? So Miss Power can show us that Pierre Du Bois saw the need for a discipline of nations, and included the economic boycott in that discipline, and the editor can show us that John Wycliffe's theory of the possession of property included the theory that *Peccans mortaliter non habet dominium*. So we read in Dr. Aveling's lecture on St. Thomas Aquinas that "the principle involved is one of solidarity and unity, in which all the individual citizens, from the supreme ruler downward, each according to his office, conspire together toward a single end, which is the greatest absolute good of each one of them." Perhaps we can conjecture now why it is that there is this revival of interest in the Middle Ages, and the conjecture is not without special value to those who are exploring public administration. It may be that its development in our day comes from an urgent demand which cannot be denied. But there is a feeling abroad that something deeper lies behind it, something of the nature of a moral sense

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of responsibility for the welfare of others. This feeling has a suspicion that perhaps in the rapid processes of the late Middle Ages, in the turbulence between rival dominations, we may have lost something. What we lost is not easy to define. At least it can be suggested that it was something of the nature of spiritual solidarity. And this can be said without in the least entrenching upon discussions which have caused quite enough anguish without reviving them.

J. L.

III

"MUNICIPAL AND LOCAL GOVERNMENT LAW (ENGLAND)," by H. Emerson Smith, LL.B. (Sir Isaac Pitman & Sons, Ltd.) 247 pp. 7s. 6d. net.

THIS book is a statement of the multitudinous provisions of the law governing local authorities, with some practical comments. It is an uneven book. It shows an advance on some similar publications by fuller references to case law, thus rendering it less a dry recital of statutory provisions, but there is still too much of the latter. It is strange to find in a book of this kind no reference to the functions of local authorities in connection with police. County councils also may grumble that their functions are relatively neglected. These defects are doubtless to be attributed to the position of the author, who is the Deputy Town Clerk of Wimbledon. There are other respects in which the book could be improved. For instance, there are inadequate references to town planning, joint committees, and the provisional order system, for local government is a wide territory.

The book is quite good of its class, but one would like to see a higher standard attempted. It is intended partly for the citizen specially interested in local government, partly for the budding official who has to negotiate the tricky jumps of examinations. There is danger that the former will be wearied of the detail and, as for the latter, if examiners still demand these minutiae, then it is high time they were reformed or abolished; an easy two-thirds majority would probably be obtained for the latter alternative.

What is needed is a clear statement of the principles governing the activities of local authorities, with sufficient illustration to make their exposition live, all placed in the historical setting without which they cannot be rightly appreciated—admittedly not an easy book to write, but one well worth doing and one for which there is a real need. The crowded detail of local government law can readily be acquired in the course of actual work, and, when books of reference are required for their elucidation, the very best are the cheapest. The great lack at present is the considered exposition of the underlying principles.

I. G. G.

Reviews

IV

"THE BOOK OF WEST HAM," 1923. (Official Publications Bureau.) 2s. 6d. net.

IN the extent to which this volume is more than a mere year-book lies a special, as distinct from the intrinsic, value to the public administrator. West Ham, as Great Britain's seventh largest town, would have provided something of that latter value inherently in the baldest statistics, as indeed the figures and percentages here offered positively show, but this hand-book, of which the present is the pioneer volume, goes valuably further, under the careful editorship of Messrs. Charles H. Ward and W. Farley.

A general introductory feature keeps clear sight of the historical scope of most facets of local government from the time of the Roman jurisdiction, but its special application is left to a concise and adequate résumé of *Early Local Government*, by Alderman William Crow, illumined by an interesting sidelight from a printed contribution by Charles Dickens to *Household Words*. Another Dickens, Inspector to the General Board of Health of those days, is quoted to some effect—

The whole parish is divided and sub-divided by open ditches and sewers, and in no instance—and I perambulated nearly the whole area of the parish—did I find one that was not horribly filthy and offensive. They are usually stagnant and filled with refuse of the foulest description; their smell being sickening in the extreme.

That was in 1855, but to-day, as the Alderman observes, the odours of West Ham, with its more than 300,000 people, may be obnoxious, but they are at least harmless to the public health, and the story of the metamorphosis alone is complete justification for the publication, as for the purchase, of this book.

A side glance at prison reform follows the name of Elizabeth Fry, profoundly honoured as a local celebrity, and the introductory paragraphs to every section throughout a great proportion of the pages give very much valuable historical and statistical information regarding the administration of the tramways, rateable properties, pensions, insurance, and similar committees, the widespread educational activities, the electricity undertaking, and the poor law institutions. A useful feature, which ought to be copied in more books of this nature, is the list of Short Particulars as to Local Acts. Some unusual tributes are paid to the servants of the corporation, and the voices of a few of them are heard in these pages. One of the local librarians has a thoughtful note upon his own province, which he describes as "the necessary corollary of our educational system."

The Book of West Ham which, we may add, is admirably, if not yet completely, illustrated, meets in a satisfactory way the need for an interpretation of the real machinery of local being.

"No man seeth the piston,
But it driveth the ship none the less."

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And, since the sixth expressed purpose of the Institute of Public Administration is the information of the public as to the functions, aims, and utility of the public services, its members can approach this volume not only in the spirit of interest but equally with the intention to apply some of its lessons to the advantage of similar local publications of the kind.

E. R. B.

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SUBSCRIPTION

The subscription to the Institute is £2 2s. for Members and 10s. 6d. for Associates.

Members and Associates who are elected on or after the 1st day of May pay £1 1s. and 5s. 3d. respectively for the remainder of the current year.

THE "HALDANE" PRIZE

The "Haldane" Prize of £10 and a silver medal is offered by the Council of the Institute. The conditions are as follows—

1. The competition is open to all members and associates of the Institute.
2. Copyright in the prize-winning essay is vested in the Institute of Public Administration, and no responsibility is accepted for the return of essays to the writers.
3. All essays shall be submitted under a *nom de plume*, the full name and address of the competitor to be written on a separate sheet of paper and enclosed in a sealed envelope bearing the *nom de plume* on the outside, the envelopes to be opened in the presence of at least two officers of the Institute after the judges have given their award.
4. The award of the judges appointed by the Council of the Institute is final.
5. Candidates are required to write on either of the following subjects ; the length of the essay not to exceed 5,000 words.
 - (a) What are the main criticisms on the Civil or Municipal Services ? How far are they justified and what suggestions do you make ?
 - (b) How far and under what conditions is routine work valuable as a training for higher work ?
6. All essays must be sent to the Secretary of the Institute not later than 1st October, 1923, the envelope to be endorsed " Essay Competition."

THE SUMMER CONFERENCE

The Summer Conference will be held in Trinity College, Cambridge, from 27th to 31st July, on " Problems of Local and Central Government."

Full particulars will be found elsewhere in the present number of the Journal.

REGIONAL GROUPS

Regional groups are now being formed in all the largest towns of the United Kingdom, and most of them will be functioning during the coming Autumn. Some notes of the arrangements made are given on the following pages.

BIRMINGHAM AND WEST MIDLANDS

The first annual meeting will be held on 28th September, and the following series of lectures has been arranged—

<i>Date</i>	<i>Speaker</i>	<i>Subject</i>
1923 Oct. 24th	<i>Opening Address</i> VISCOUNT HALDANE, O.M. (President)	"Decentralization of Administrative Government"
Nov. 14th	SIR WM. H. BEVERIDGE	"The Civil Service and its Critics"
Dec. 14th	MR. ARTHUR COLLINS (Late City Treasr., B'ham.)	"Local Rating"
1924 Jan. 16th	COMDR. THE RT. HON. HILTON YOUNG, M.P.	"Principles Underlying National Finance"
Feb. —	(To be announced)	
Mar. —	LORD BURNHAM	"The International Labour Organization"

Meetings will commence at 6 p.m., and will be held in Birmingham, at a place to be decided upon shortly.

Membership forms can be obtained from Mr. H. C. Chamberlin, Joint Hon. Secretary, Council House, Birmingham.

MANCHESTER

A series of lectures has been arranged, commencing with Sir Josiah Stamp on 12th October, under the chairmanship of the Lord Mayor of Manchester. Other names on the list are those of Mr. J. G. Maddan, Postmaster Surveyor of Manchester; Mr. E. D. Sisson, ex-Lord Mayor of Manchester; Professor May, and Professor Daniels of Manchester University.

A small provisional committee is working on the arrangements and a general meeting of members will be called, probably this month, to receive its report and to elect a committee and officers on a more permanent basis.

All interested in the movement should communicate with the Provisional Hon. Secretary, Mr. James J. Todd, H.M. Inspector of Taxes, 30 Dickinson Street, Manchester.

LIVERPOOL

A committee has been formed in Liverpool, and arrangements are in hand for an inaugural meeting which will take place in the Town Hall, Liverpool, on Monday, 17th September, at 4 p.m. The date has been arranged to coincide with the Conference of the British Association in Liverpool.

All interested should communicate with Mr. T. W. Milburn, 106 Claremont Road, Liverpool.

EAST MIDLANDS

The Principal of Nottingham University College has granted the use of the College Large Theatre for an inaugural meeting at the end of July.

All those interested should apply for particulars to the organizer, Mr. A. Long, 24 Bentinck Road, Nottingham.

LEEDS AND BRADFORD

A meeting of members and associates was held on 4th June, 1923, which set up a provisional organizing committee, of which Mr. F. G. Rendell is chairman and Mr. William Donnan secretary. The inaugural meeting of the group will, it is hoped, be held early in the autumn. The Secretary will be pleased to receive inquiries from those in the district interested in the work of the Institute at his address, Lloyd's Bank Chambers, Vicar Lane, Leeds. (Tel.: 24861.)

EDINBURGH

Those interested in the formation of a group should apply to Mr. E. W. Hancock, Scottish Board of Health, 121A Prince's Street.

GLASGOW

The preliminary arrangements have been kindly undertaken by Mr. G. H. Brown, Ministry of Labour, 222 Sauchiehall Street.

HULL

Active steps are being taken towards the formation of a group. Mr. W. E. B. Wadsley, of 90 St. John's Avenue, Bridlington, to whom all inquiries should be addressed, has kindly undertaken the preliminary work of organization.

NEWCASTLE

The preliminary arrangements for the organization of a group have been kindly undertaken by Mr. V. Grainger, Rates Department, Town Hall.

BRISTOL

The preliminary arrangements for the organization of a group has been kindly undertaken by Mr. M. O. McAuliffe, Education Offices, Bristol.

BELFAST

Mr. J. Huggett, C.B.E., Comptroller and Auditor-General, Northern Ireland, chairman of the Civil Service Institutions (N.I.) Society, of 32 Scottish Provident Buildings, Belfast, has kindly undertaken the preliminary arrangements for the organization of a group in Northern Ireland.

NOW READY

RATES AND RATING

*The Law and Practice of Rating for
the Ratepayer and Rating Official*

By ALBERT CREW, of Gray's Inn, Barrister-at-Law ;

Assisted by W. T. CRESWELL, of Gray's Inn, Barrister-at-Law ; Associate of the
Surveyors' Institution,

and ARTHUR HUNNINGS, F.S.I., Rating Surveyor, The Metropolitan Borough of Hackney.

The purpose of this book is to give the ratepayer and rating official some guidance and assistance in understanding the law and practice relating to rating. Income Tax, so far as it relates to Schedule A (The Blue Form), and Inhabited House Duty have received some consideration, as also the recent controversy relating to the Blue Form and the results arising therefrom.

A selection of forms relating to rating and taxation has been included in the Appendix.

“The Local Government Journal” says—

“The book, after a short historical introduction, contains chapters on the making of rates and their collection ; on the general principles and basis of assessment of the poor rate, with a special chapter on the poor rate in the Metropolis ; on the rating of special properties, machinery, mines, woodlands, etc. ; on the general rate and Schedule A, and kindred subjects. There are valuable appendices in the shape of some practical notes for Rate Collectors and Assistant Overseers, a summary of recent leading cases on rating, and various tables and forms. The authors' method is to treat each branch of the subject under discussion in a separate section, with a heading in large type so that the reader can quickly pick out the matter he is searching for. Wherever possible, the law and practice on the subject is stated in words drawn from the leading cases, a method which makes for accuracy and clearness. . . . The authors have left no side of their subject untouched ; the reviewer has not been able to discover any omissions of importance. Altogether the book is to be warmly recommended as a guide both to the general public and to the rating official.”

In crown 8vo, cloth gilt, 325 pp. 7s. 6d. net

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BIRMINGHAM

Since the first steps were taken in March last to form this Group good progress has been made, and the First Annual Meeting took place at the Birmingham Council House on the 28th September, when a Report was received from the Provisional Committee as to the steps taken to organize the Group and to place it upon a sound footing. Mr. John Scott, Postmaster-Surveyor, Birmingham, presided, and the headquarters of the Institute were officially represented by Mr. H. G. Corner.

The total membership of this Group at the time of going to press is 250 members and associates, and a remarkably even balance is preserved between those who come from the Civil Service and those from the Local Government Service.

The lecture season opens on the 24th October with an address by Viscount Haldane, O.M. (President of the Institute), on the subject "Decentralization of Administrative Government." The full lecture syllabus appeared in our July issue, to which reference may be made.

In carrying out their aims, the Council have in mind certain specific directions of activity to which attention will be given as the Group develops—

- (a) The possibilities of a Study Circle, and the formation of a Students' Library.
- (b) The institution of Lecture Courses in conjunction with the Birmingham University or other educational bodies.
- (c) The promotion of social activities.

The Rt. Hon. Austen Chamberlain, M.P., has accepted the Presidency of the Group.

The following is a list of the members of the committee elected at the meeting—

<i>Name.</i>	<i>Position in the Public Service.</i>
F. H. C. WILTSHIRE	Town Clerk, Birmingham.
DR. P. D. INNES	Chief Education Officer, Birmingham.
J. R. JOHNSON	City Treasurer, Birmingham.
J. H. BROADLEY	Secretary, Water Dept., Birmingham.
WALTER POWELL	Chief Librarian, Birmingham.
J. T. HOMER	Ministry of Labour (Divisional Controller).
C. H. GARLAND	Ministry of Health (Divisional Inspector).
H. J. R. MURRAY	H.M. Divisional Inspector of Schools (Birmingham).
E. A. R. WERNER	Superintending Inspector of Factories (Birmingham and Area).
JOHN SCOTT	Postmaster, Birmingham.
ARTHUR LEWIS	Director of Education, West Bromwich.
J. S. JACKSON	Custom and Excise, Birmingham.
F. C. SIMPSON	Overseer, Post Office, Birmingham.
F. C. NORRIS	
SIR JAMES CURTIS, K.B.E.	Clerk to the "Guardians," Birmingham.
T. R. S. LLOYD	County Clerk's Dept., Stafford County Council.
HERBERT LEE	Town Clerk, Walsall.
F. E. W. HOWELL	Town Clerk, Wolverhampton.
ERNEST SANDFORD	Lord Mayor's Secretary, Birmingham.
W. S. BODY	Chief Clerk, Town Clerk's Office, Birmingham.
PRINCIPAL GRANT ROBERTSON, M.A., C.V.O.	} Birmingham University Senate.
PROFESSOR FRANK TILLYARD	
H. C. CHAMBERLIN	} Provisional Hon. Secretaries.
F. H. BOWATER	

Following the Annual Meeting, the Lord Mayor and Lady Mayoress of Birmingham (Alderman Sir David Davis and Lady Davis) very kindly gave a reception, in the Council House and Art Gallery, to the members of the Group, to which were invited members of the City Council. The Group very much appreciate this action of the Lord Mayor and Lady Mayoress, both for its generosity, and as a symbol of recognition of the work now being undertaken in the cause of public administration in and around the Midland city.

MANCHESTER

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P. M. HEATH, Town Clerk, Manchester.

Vice-Presidents :

SIR HENRY A. MIERS, Vice-Chancellor, Manchester University.
E. D. SIMON, Ex-Lord Mayor of Manchester.
J. G. MADDAN, Postmaster-Surveyor, Manchester.
G. WILCOCK, Principal Inspector of Taxes, Manchester.

Secretary and Treasurer :

J. J. TODD, H.M. Inspector of Taxes, 30 Dickinson Street, Manchester.

Committee :

O. LEWIS ABBOTT, National Association of Local Government Officers.
HADEN CORSER " " " " "
W. H. WHINNERAH " " " " "
E. C. GATES, Union of Post Office Workers.
A. T. PENDRIGH, Association of Officers of Taxes.
MISS M. MURBY, Ministry of Health.

The List of Lectures to be delivered during the Session 1923-4 is as follows—

Date.	Place of Meeting.	Time.	Lecturer.	Subject.	Chairman.
1923 Oct. 12	Town Hall	7.45 p.m.	Sir Josiah Stamp, K.B.E.	Recent Tendencies towards the Devolu- tion of Legislative Functions to the Administration.	Councillor Cundiff, The Rt. Hon. The Lord Mayor of Manchester.
Nov. 6	Manchester University	"	Mr. J. G. Maddan, Postmaster- Surveyor of Manchester.	The Local Adminis- tration of a State Department.	Mr. Percy M. Heath, Town Clerk of Manchester.
Dec. 11	"	"	Mr. E. D. Simon, ex-Lord Mayor of Manchester.	Local Government Areas.	Mr. Spurley Hey, M.A., Director of Education.
1924 Jan. 15	"	"	Professor Henry Clay.	A Social Budget.	Sir Edwin Stockton.
Feb. 12	"	"	Professor G. W. Daniels.	English & Foreign Administration Contrasted.	
Mar. 14	"	"	Professor H. J. Laski.	Democracy and Administration.	

LIVERPOOL

The Inaugural Meeting of this Group was held in the Council Chamber of the Town Hall, Liverpool, on Monday, 17th September. The chair was taken by Dr. J. G. Adami, C.B.E., F.R.S., Vice-Chancellor of the University of Liverpool, and addresses were given by Mr. John Lee, C.B.E., M.A., and Sir William Beveridge. Amongst those supporting the movement by their presence at this meeting were—Lieut. Col. W. H. Scott, C.B., M.P., Mr. H. Graham White, M.P., Mr. Walter Moon, Town Clerk of Liverpool, Mr. C. F. Mott, M.A., Director of Education in Liverpool, Mr. W. M. Simpson, Postmaster-Surveyor, G.P.O., Liverpool, Mr. G. W. Coster, Clerk to the Guardians, West Derby Union, Professor E. R. Dewsnap, M.A., Professor of Commerce, University of Liverpool, and R. A. Macdonald, M.A., head of the Department of Economics, University of Liverpool.

The Hon. Secretary is Mr. T. W. Milburn, 106 Claremont Road, Liverpool.

EAST MIDLANDS

A very successful Inaugural Meeting was held at Nottingham on 28th September, attended by about 150 representatives of various sections of public life. The area embraces Nottingham, Leicester, Derby, Lincoln, Loughborough, Newark, and the intervening County Council areas.

The following addresses were given—"The Institute of Public Administration: What it can do for you, and what you can do for it," by Sir Alexander Lawrence, Bart.; "Pride of Service," by G. H. Stuart Bunning, Esq., J.P., O.B.E.; "Public Administration: Its place in the Sciences," by Prof. A. W. Kirkaldy, M.A., B.Litt., M.Com.

A provisional committee was set up.

The joint Hon. Secretaries are Mr. John Pepper, Town Clerk's Dept., Guildhall, Nottingham, and Mr. A. Long, "Olma," Devonshire Road, Nottingham.

LEEDS and BRADFORD

The Inaugural Meeting is fixed for Friday, 12th October, in the Town Hall, when Sir John Anderson will be the principal speaker. He will be supported by Mr. F. Ogden Whiteley, City Treasurer of Bradford, and the Hon. Secretary of the Institute. Sir Robert Fox, Town Clerk of Leeds, will preside.

The Hon. Secretary is Mr. Wm. Donnan, Lloyds Bank Chambers, Vicar Lane, Leeds, who will be pleased to answer enquiries from those interested.

EDINBURGH

Major Jayne, D.S.O., O.B.E., Controller of Telegraphs, Edinburgh, has kindly undertaken the arrangements in connection with the formation of this Regional Group. Lord Haldane has promised to address a meeting early in the New Year.

JUST OUT

MUNICIPAL & LOCAL GOVERNMENT LAW

BY

HERBERT EMERSON SMITH, LL.B. (Lond.)

*Solicitor of the Supreme Court, Fellow of the National Association
of Local Government Officers*

Demy 8vo, cloth gilt, 247 pp. :: Price 7s. 6d. net

The Local Government Journal says: "Many excellent treatises and books of reference have been written on Local Government Law, but we do not think that any will provide a more practical and trustworthy summary of the most important branches of that law than Mr. Herbert Emerson Smith's *Municipal and Local Government Law*. Mr. Smith, as Solicitor of the Supreme Court and Town Clerk of Wimbledon, has had first-hand experience of his subject.

"We think that the writer's hopes of the usefulness of his book will be fully realized. Throughout the book Mr. Smith has had his eye fixed upon the practical point at issue, and the result is that general principles are not discussed in the abstract but are shown as they work out in concrete cases. This is a great gain from the point of view of a student or inquirer seeking practical information concerning the working out of any point of law. The author introduces the subject with an account of the nature of law in general, of statute laws and by-laws. Even here the practical point of view is predominant. In the chapter on Statute Law, for instance, the author has some excellent sections on "How to read an Act of Parliament," which should prove useful to many readers. The main body of the book deals in some detail with the powers and duties of local authorities. There follows a valuable summary of the organization of local government in London.

"That the latest developments of the law have been taken into consideration is shown by the quotation by the author of such leading cases as *Attorney-General for Manitoba v. Kelly*, *Carlton Main Colliery Co. v. Hemsworth Rural District Council*, *Henry Butt & Co. v. Weston-super-Mare Urban District Council*, all of which have been decided within the last twelve months. A good example of the author's power of stating succinctly the results of important and sometimes involved legal cases is to be found in his summary of the outcome of the *De Keyser Hotel* case, which was heard by the House of Lords in 1920."

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